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Statements and Speeches

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CANADA AND INDONESIA -- THE DIALOGUE HAS BEGUN WELL

A Speech by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, to the Press Club, Jakarta, August 25, 1976.

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On behalf of the Canadian Government, I should like to thank the authorities of Indonesia, particularly Foreign Minister Malik, for the kind invitation which has brought me to Jakarta. I recall with pleasure my meeting with Foreign Minister Malik in July 1975, when he and two of his Cabinet colleagues accompanied President Soeharto for a visit to Canada. Indonesian hospitality is justly famed, and my hosts have left me in no doubt that the reputation is well deserved. I am unable to stay in your country as long as I should wish, but the warm and generous reception which Mr. Malik and his colleagues have extended to me and to the members of my delegation are making this a memorable visit. It is indeed an auspicious beginning to my tour of Pacific nations, which will also take me to Malaysia, New Zealand and Australia.

The progress that is being made in Indonesia and in the four other members of the Association of Southeast Asian Nations has provided an important impetus for my present visit to this region in my capacity as Secretary of State for External Affairs. It emphasizes the growing interest in Canada in developing closer relations with the countries of ASEAN, of which Indonesia is by far the largest and the most populous. Accordingly, Foreign Minister Malik, his colleagues and I have discussed ideas and approaches to issues with a view to adding to the momentum of our bilateral relations, which have developed significantly over the past few years.

I should perhaps begin by explaining that in 1970, after an exhaustive study and analysis by my Department, the Canadian Government took a formal decision to work actively in order to diversify Canada's relations with other countries.

As a Pacific nation, it was logical for Canadians to look beyond our Western shores to the countries which, along with Canada, were situated on the rim of the world's largest ocean. Canadians were, of course, very much aware already that the Pacific was an area where the drama, and all too often the tragedy, of human affairs was being played out, and where the tensions and disagreements which

divided the world community found a particularly violent focus. The Korean War, and later the Vietnam War, were very much a part of the Canadian consciousness, and we played a role in both conflicts.

A Canadian contingent served in Korea under the aegis of the United Nations, and for many years we participated in all the peace and supervisory commissions in Indochina -- including, on one occasion, with Indonesia. Thus the concept that Canada, as an active member of the world community, and more particularly as a Pacific nation, had a direct stake in the peace and stability of the Asia/Pacific region was widely accepted in Canada. Accordingly, when five or six years ago we began to place greater emphasis on our bilateral relations with the countries of the Pacific, we were not newcomers on the scene.

With its long Pacific coastline, Canada is very much a Pacific nation. Modern transportation has brought us much closer to all countries in the area. We therefore have a stake in the future of the region. It is for this reason that the Canadian Government considers it has a significant role to play in promoting peace and stability. As economic development is a fundamental prerequisite for stability, Canada is making available development assistance to countries of the region. In the context of the North/South dialogue, Canada aims, by the transfer of resources and technology, to help to close the gap between developed and less-developed countries. We hope this economic co-operation, too, will serve to strengthen the independence of individual nations in this post-colonial period and evolve into a mutually-beneficial commercial relationship. The scope in this area is great because of the promising future of the area, given its wealth of human and natural resources. I should mention too that migrants from Asia are increasingly contributing to the diversity of Canadian culture. Canadian interest, then, in the Pacific is considerable.

Turning specifically to Southeast Asia, our involvement in the region has been overshadowed in the public eye by our participation in the Indochina peace and supervisory commissions. I know that our withdrawal from the commission caused apprehension in some quarters that Canada was losing interest in the region, but I wish to assure you that the reverse was true. After the end of the Vietnam War, Canadian resources and expertise that previously had to be devoted to our commission work could be put to work more productively in developing and implementing our policy towards the countries of Southeast Asia, where Canada had substantial bilateral interests. At the same time, we did not overlook the fact that tensions remain in the area, and I know that these tensions, as well as the continued confrontations in the Korean peninsula, are of concern to ASEAN leaders,

as, indeed, they are to Canada. Thus we participate actively in the search for solutions to these tensions by a process of consultation and co-ordination with our friends.

An important aspect of Canada's policy in the Pacific is support for the Association of Southeast Asian Nations. Canada firmly believes in the usefulness of such regional groupings and strongly supports the objective of regional co-operation. The steps being taken by all countries of the region to develop their economies in a manner which will lead to a closer partnership among them are a particularly encouraging sign of increasing cohesion. I believe that ASEAN's objective of providing cultural co-operation should also serve as an important unifying factor. Furthermore, I consider it significant that ASEAN is open to all countries of the region that subscribe to its principles. It may be unrealistic to think that the membership of the Association is likely to be expanded in the near future, but the commitment to an outward-looking policy sets an example for the whole region.

In my view, ASEAN is helping to provide the instruments to counteract the uncertainties which still cloud the future of the region. It can do this in a particularly effective way through the promotion of regional prosperity, which I regard as an essential element of political stability. It is apparent that progress is being made in this direction, and I should like to take this opportunity to applaud the contribution that Indonesia is making to the realization of the concept.

In his speech to the ASEAN summit conference, which Indonesia hosted in Bali earlier this year, President Soeharto dealt in a realistic and constructive way with the relation between the internal security of the ASEAN countries and economic development. He made a convincing case for the need for regional co-operation, without minimizing the difficulties involved. I am confident that his message of realism and inspiration contributed greatly to the success of this first ASEAN summit since the inception of the organization.

To express our support in concrete terms, Canada has made an offer to ASEAN of development assistance for regional projects identified by the five member countries. The possibility of Canadian assistance for studies of a regional satellite-communication system and a regional transportation system are currently being examined. During his visit here earlier this year, my colleague Mr. Jamieson pledged Canada's support in principle for a study of an ASEAN industrial co-operation project in a sector in which Canada has special expertise -- e.g., newsprint, pulp and paper, and potash. I have also informed the Indonesian Government that Canada is prepared to

establish a scholarship program for postgraduate students selected by ASEAN to study in Canada in disciplines which can further ASEAN's objectives of regional co-operation. It is my hope that such assistance will supplement the efforts made by ASEAN member countries to achieve closer co-operation.

Furthermore, Canada is prepared to open a formal dialogue with ASEAN in order to enhance our lines of communication and to facilitate co-operation in the field of development assistance. We will shortly be examining with ASEAN the best way for such a dialogue to take place.

When, beginning in 1970, Canada began to place more emphasis on developing its bilateral relations with the individual countries of the region, it was natural -- indeed, inevitable -- that Indonesia would be regarded with special interest.

Indonesia is a land composed of many fascinating and unique cultures, as well as a wealth of ancient traditions which testify to the high degree of civilization that Indonesia has enjoyed for many centuries. For as many centuries, Indonesia has been a crossroads in the Pacific, which has attracted traders from all over the world.

The strategic position which Indonesia occupies in the Asia/Pacific area, its large population, and its immense natural resources place this country in a key position to play a major role in international affairs. Thus Indonesia, like Canada, has an interest in a multipolar world where countries such as yours and ours can have a distinctive and effective voice in world affairs. To this end, our two nations are intensifying bilateral relations with a variety of countries, including each other, in order to avoid an excessive dependence on only one or two partners.

Canadians are impressed by Indonesia's pragmatic leadership in economic planning, which has resulted in steady economic progress. In my view, these efforts are noteworthy not only because they have achieved a considerable measure of success but also because they had to be carried out despite the great difficulties that necessarily face a country as large and as complex as Indonesia at its present stage of development.

But the Canadian experience in nation-building made us see Indonesia in yet another light. Despite the great differences between Indonesia and Canada, there are similarities and problems we have in common. Indonesia, like Canada, is large. Indonesia with its thousands of islands and Canada with its difficult terrain present a formidable geographical challenge. Indonesia is a tropical country, while

Canadians have had to live and work in conditions of extreme cold. Canadians have learnt first-hand that distance and climate make the job of transportation and of communication vastly more complicated, but we have also developed means to deal with these problems. Thus our experience with these conditions has given us an insight into the problems faced by Indonesia, as well as a capability to find practical and workable solutions.

There are further similarities -- Indonesia, like Canada, is rich in natural resources, and both countries face the challenge of developing them in a rational manner which will bring the greatest amount of benefit to our citizens. This involves, for both our countries, the participation of foreign capital and the attendant need to maintain constant communication between the government and the private sector to ensure that the interests of all parties are served and that the decision-making process works efficiently.

A parallel can also be drawn between the multicultural character of Canada, whose population is composed of people from many nations, and the many cultures and traditions, which, occupying innumerable islands extending more than 5,000 kilometres, make up the diversity and the unity of Indonesia. Canada therefore appreciates not only the physical difficulties associated with transportation and communication over such vast distances, but also the overriding importance of overcoming these problems to foster national unity and to create a common national purpose.

Thus the reorientation of Canada's foreign policy to which I referred earlier, along with the similarity or convergence of interests between our two countries, created a climate in which the rapid development of our bilateral relations became possible and desirable. That neither side has been slow to take advantage of these circumstances can be demonstrated by a look at recent trade and development figures. In 1973, our bilateral trade was \$20.7 million. Two years later, in 1975, this figure had grown to over \$78 million. As well, over the last ten years, our development-assistance disbursements to Indonesia have grown from less than half a million dollars to \$36.7 million in 1975-76. This makes our development assistance program with Indonesia one of the largest we have in the world.

The impressive performance of the Indonesian economy in the past few years and Indonesian economic-development plans suggest a healthy economic growth in the future. The emphasis on sectors such as forestry, mining, oil and gas development, power-generators and distribution, telecommunication and agriculture -- areas which match Canadian capabilities -- points to a further development.

In support of these efforts, Canada has made available to Indonesia a total of \$200 million in the form of parallel lines of credit, consisting of \$25 million from CIDA and \$175 million from the Canadian Export Development Corporation and private Canadian banks. More than half of this amount has already been committed, which shows that Indonesian and Canadian businessmen have been quick to exploit the commercial possibilities.

In recognition of Indonesian economic progress, Canada is working to increase the level of development assistance to Indonesia with a program involving projects in transportation, power and water-resource development in support of agriculture, regional development schemes and technical assistance programs aimed at strengthening Indonesia's technological resource base.

I am happy to have been able to sign, during my visit, a loan agreement and two memoranda of understanding for projects which happen to be ready for final approval at this time but which also symbolize Canada's development assistance to Indonesia. The loan agreement provides \$10 million for flexible use in Indonesian water-resource development. It reflects the high priority accorded water-resource development at the recent Habitat Conference on Human Settlements in Vancouver. One of the memoranda of understanding concerns the provision of a grant of \$900,000 to assist in rehabilitating and expanding the Ombilin Coal Mine in West Sumatra through technical assistance to the Ombilin School of Mines and training at the College of Cape Breton, which, I am pleased to note, is very close to my own home in Canada. The other memorandum of understanding concerns the provision of a grant of \$550,000 to finance a feasibility study, design, supervision of construction and project management for the Bengkulu hydroelectric generating station in Sumatra. I am also pleased to have been able to exchange letters with Mr. Malik concerning a \$9.4-million loan to finance the foreign costs of Biringkassi Port, which will service the Tonasa Cement Plant in Sulawesi. This loan completes the \$80-million Canadian financing for the Tonasa project. These four projects reflect Canada's continuing commitment to Indonesian economic development.

A vote of confidence in Indonesia's future was also extended by the International Nickel Company of Canada, one of Canada's major industries. INCO is investing \$850 million for the construction of a nickel-mining and -smelting project, which will be a significant addition to Indonesia's industrial capability. Although this is the largest, it is not the only project involving Canadian capital and technology, as a number of other Canadian companies are equally active in Indonesia in a number of fields.

The contacts that Canada and Indonesia have so successfully developed in the past few years, however, extend beyond the bilateral to the multilateral, where we have found that we could co-operate on certain issues and consult each other to good effect on others. I recall that, at the United Nations, Canada was a member of the Security Council at a time when we were able to make a contribution to Indonesia's independence. Since then, we have a common interest to find realistic and workable solutions to the problems that so tragically divide the world. We share a belief in the virtues of flexibility and compromise, and in the need to keep open the lines of communication. In my view, this approach has served us well at the Law of the Sea Conference, where as coastal states we share many common objectives. The co-operation between our two delegations has contributed greatly to the development of new concepts, such as the economic zone and the regime to be applied to archipelagoes. At the crucial session now taking place in New York, it is of the utmost importance that we continue this co-operation to ensure that generally-acceptable solutions to the many outstanding issues are found.

Indonesia and Canada also share membership in the Conference on International Economic Co-operation, which is a major effort to come to grips with perhaps the most crucial and challenging issue of our times. As co-chairman of the Conference, I have been engaged in an intensive round of consultations with the group of industrialized countries and with my fellow co-chairman, Dr. Perez Guerrero, in an effort to move the dialogue forward.

In my view, the problems we face in CIEC are difficult but not insurmountable, and I am very pleased that I had an opportunity to discuss these questions with Mr. Widjojo, who has given me some valuable insights into the issues that are of primary concern to the Indonesian authorities.

...I have touched on some of the issues that concern Indonesia and Canada, both in the bilateral and in the multilateral spheres. I do not wish, however, to exhaust your patience by attempting to exhaust my subject. I have tried to indicate, briefly, where we stand in Indonesia-Canada relations. The dialogue has begun, and it has begun well. But we still know far too little of each other. We must work to expand the dialogue, and this will take the co-operation and active assistance of governments as well as our respective private sectors. The Canadian Government will be playing an active role in this process and my talks with my Indonesian counterparts have confirmed to me that the Indonesian Government shares the same objectives.



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Statements and Speeches

No. 76/26

ARMS CONTROL AND DISARMAMENT

Statement in the First Committee of the Thirty-first Session of the United Nations General Assembly on November 5, 1976, by Mr. R. Harry Jay, Ambassador and Permanent Representative of Canada to the Office of the United Nations at Geneva and to the Conference of the Committee on Disarmament.

My predecessors in this committee have repeatedly spoken of the growing impatience, frustration and deep disappointment felt by most countries -- and certainly by Canada -- at the continuing failure of the international community to face up more concretely and rapidly to the awesome problems that confront us in the field of disarmament. Despite some modest steps, the record of achievement in the past 12 months has provided no cause for comfort.

Shall we have to voice the same harsh judgment at the end of the Disarmament Decade as we do at its mid-point? Shall we be forced to admit in five years that the declaration of the 1970s as the Disarmament Decade was a half-hearted gesture? I fear that international security will be in even greater peril if, in those next five years, we do not come to grips with the tasks set out for the Decade. We must reach early agreement on the most pressing arms-control problems and follow through with the most vigorous possible action to resolve them. All states of military significance must share in this important task, but the primary responsibility to ensure that the Disarmament Decade is not a failure rests with the nuclear-weapon states.

Of all the problems we face in the arms-control and disarmament field, none is greater or deserves higher priority than the need for limitations and reductions in nuclear arms, for an effective ban on all nuclear-weapons testing and for further strengthening of the nuclear-non-proliferation system.

As valuable as they have been, the strategic arms limitation talks between the United States and the Soviet Union have not yet slowed the nuclear arms race, much less led to any reduction in nuclear arms. Canada welcomed the SALT I agreement and the establishment at Vladivostok in 1974 of the principle of numerical equality in central strategic systems. Four years have passed since the SALT I agreement and the Vladivostok principles still remain to be confirmed in a definitive SALT II agreement. Over those years, new developments in strategic weaponry have further complicated the

task of achieving measures to curtail competition in nuclear weapons. All of us in the international community must be fully conscious of the complexity of the problems the United States and the Soviet Union confront in undertaking even gradual and partial measures of nuclear disarmament, but we strongly believe they must make a more determined effort to surmount these problems. We appeal to the two principal nuclear powers again to move with greater speed towards the conclusion of SALT II and to move on to SALT III -- that is, from limitations to effective reductions -- at the earliest possible date.

Despite the appeals made year after year for almost three decades in resolutions of this Assembly, progress in recent years towards a ban on all nuclear-weapons testing has been almost imperceptible. The Partial Test Ban Treaty of 1963 has not yet been signed by two nuclear-weapon states, and one of them is still engaging in atmospheric testing.

The achievement of a comprehensive test ban, like strategic-arms limitation, involves difficult security, political and technical problems and perceptions. In the Conference of the Committee on Disarmament, many countries, including my own, have tried to contribute to the solution of some of those problems, particularly those that would have to be faced in verifying compliance with such a treaty. We hope the search for solutions will be advanced by the group of scientific experts established by the CCD this year to investigate the possibilities for international co-operation in detecting and identifying seismic events, but the work of that group will be more useful if it has the active support of all nuclear-weapon-state members of the CCD.

Although the CCD continues to grapple with the question of nuclear testing, it is difficult to accept that more resolute efforts have not been made by the nuclear-weapon states themselves to overcome the obstacles to a nuclear test ban. We fail to understand why, as at least one nuclear-weapon state has argued, movement towards a CTB is impossible unless all five nuclear-weapon states participate from the outset. Ultimately -- and sooner rather than later -- all nuclear-weapon states must stop their weapons testing in all environments. But what insurmountable obstacles prevent at least the two super-powers, and as many other nuclear-weapon states as possible, from entering into a formal interim agreement to end their nuclear-weapon testing for a defined trial period? When the two super-powers already have nuclear-weapon arsenals of such enormous magnitude and when their own capacity for destruction so greatly exceeds that of any other nuclear-weapon state, how can it be argued with any credibility that an interim testing halt by the two of them

would threaten their security unless all of the remaining nuclear-weapon states immediately followed suit? If we are ever to have a comprehensive test ban, someone must take the first step, and the two super-powers are the ones who should take it.

If such an agreement were reached for a fixed trial period it could, at the end of that time, be reviewed by its adherents to determine whether it might be further extended or be transformed into a permanent agreement including all nuclear-weapon states. One thing, however, must be stressed. In proposing an interim agreement, we are not calling for an unverified moratorium. On the contrary, we envisage an agreement open to all states, containing measures to ensure first that its terms are fully honoured and second that any nuclear explosions for peaceful purposes do not confer weapons-related benefits.

We can welcome the achievement by the United States and the Soviet Union of their Threshold Test Ban Treaty of 1974 and their related agreement on peaceful nuclear explosions to the extent that they constitute mutual restraints and contain provisions for verification. But we consider these measures to be initial steps only. Agreements that permit the yield of individual explosions to remain as high as 150 kilotons are very modest indeed. In Canada's view, a much more far-reaching demonstration of the super-powers' determination to secure a CTB is required most urgently.

Although existing nuclear-weapon arsenals pose the most immediate threat to world security, all of us continue to be haunted by the danger that nuclear weapons will spread to more states. If more resolute efforts are not made to avert this danger, we shall have frittered away completely whatever chance there still may be of eliminating the threat of nuclear destruction.

The Non-Proliferation Treaty and its associated system of IAEA safeguards continue to be the basic instruments of the non-proliferation system and the most appropriate framework for international co-operation in the peaceful uses of nuclear energy. One of the important tasks of this committee this year will be to assess the progress that has been made since the NPT Review Conference of May 1975. Canada is encouraged that some positive steps have been taken since the review conference, but we are convinced that much that should have been done in support of the non-proliferation objective has not been done. As we all know, the treaty's obligations apply to all of its parties -- to nuclear-weapon states as well as non-nuclear-weapon states.

While non-nuclear-weapon states parties undertook not to acquire

nuclear weapons or other nuclear-explosive devices, the nuclear-weapon-state parties undertook, in return, to pursue negotiations in good faith and at an early date towards nuclear disarmament. We regret that the nuclear-weapon states have not done more to fulfil their part of the NPT bargain. An effective non-proliferation system is in the interest of all states. But to be fully effective and to serve the interests of all states, the non-proliferation system must entail restraints on vertical as well as horizontal nuclear proliferation.

An important achievement has been the growth in the number of the treaty's adherents from just over 80 at the time of the review conference to about 100. Parties to the treaty now include almost all of the most highly-industrialized countries and the great majority of developing countries. By forswearing the acquisition of nuclear-explosive devices and by placing all of their nuclear activities under IAEA-administered safeguards to verify this commitment, this impressive group of states from all regions of the world has clearly rejected the mistaken notion that either the possession of nuclear weapons or the retention of an option to acquire them is a guarantee of security in some way essential to national sovereignty and the reinforcement of national prestige. It is cause for the deepest concern, however, that this encouraging perspective is not yet shared by certain other states advanced in nuclear technology or in the process of acquiring that technology. We appeal to those states to reassess their reasons for not making a firm commitment to the non-proliferation objective, either by adhering to the NPT or in some other equally binding and verifiable way.

In its Final Declaration, the NPT Review Conference urged that "in all achievable ways" steps be taken to strengthen the application of nuclear safeguards as the reasonable and necessary condition for international co-operation in the peaceful uses of nuclear energy. Canada has taken this appeal very seriously indeed. We have made it clear in the negotiation of new bilateral nuclear co-operation agreements and in the renegotiation of others that we are determined to ensure that Canadian nuclear assistance will be used solely for peaceful non-explosive purposes.

We have been gratified by the measures that have been taken in the IAEA and among suppliers since the NPT Review Conference to reinforce and broaden the application of nuclear safeguards. Important steps have been taken in safeguards agreements concluded by a number of countries with the IAEA in the past year, especially their explicit exclusion of any explosive use and strengthened provisions for the application of safeguards to technology transfers. We very much welcome the detailed study being given in the IAEA and elsewhere to

the need for exercising greater care and for applying more stringent controls in the use of the most sensitive parts of the nuclear-fuel cycle. Canada will continue to press in its bilateral nuclear relations and in all appropriate forums for the further strengthening and broadening of the scope of nuclear safeguards. In our view, safeguards will not be fully effective until they cover all peaceful nuclear activities in all states. As a country that has willingly accepted the application of safeguards to all of its own nuclear industry, Canada firmly believes that universal acceptance of such safeguards would provide the soundest basis for international nuclear co-operation.

The NPT Review Conference called for intensified study of the application of nuclear explosions for peaceful purposes. It strongly reaffirmed the provisions of Article V of the Treaty whereby any potential benefits from the application of nuclear explosions for peaceful purposes will be available to non-nuclear-weapon states party to the treaty on a non-discriminatory basis, under appropriate international observation and procedures, through an appropriate international body and pursuant to a special international agreement or agreements. It confirmed that any such benefits could be made available to non-nuclear-weapon states not party to the treaty by way of nuclear-explosive services provided by nuclear-weapon states and conducted under the appropriate international observation and procedures called for in Article V. It concluded that the IAEA was the international body through which potential benefits of peaceful applications of nuclear explosions could be made available by nuclear-weapon states to non-nuclear-weapon states.

Canada fully supported these conclusions. Nonetheless, we remain to be convinced that there are significant potential benefits in so-called peaceful nuclear explosions. We doubt that any benefits that may exist would outweigh the inherent risks. Certainly there can be no question that such explosions would have crucial arms-control implications. It has been clearly recognized in resolutions of this Assembly in 1974 and 1975 that no distinction can be made between the technology for nuclear weapons and for nuclear-explosive devices for peaceful purposes and that it is not possible to develop such devices for peaceful application without at the same time acquiring nuclear-weapons capability. It is for this reason that we are participating fully in the detailed study being conducted in the IAEA of the economic, technical, safety, environmental and legal aspects of peaceful nuclear explosions. The IAEA studies will require more time, but we hope they will lead not only to broad consensus on the economic, technical and legal aspects of peaceful nuclear explosions

but also to international arrangements for the provision of PNE services that are fully consistent with the requirements of the NPT and other international legal instruments, including the Partial Test Ban Treaty of 1963. We do not minimize the difficulties involved in devising such arrangements. But it could be much harder to reach agreement on international arrangements to govern PNE services if we wait until whatever economic value they may have has been demonstrated.

The NPT Review Conference confirmed that internationally-recognized nuclear-weapon-free zones can be an effective means of curbing the spread of nuclear weapons and of strengthening the security of states which become fully bound by their provisions. The nuclear-weapon-free-zone conception and the possibility of establishing such zones in various parts of the world have been the subjects of numerous resolutions of this Assembly in recent years, and will be addressed again this year. Yet, apart from the Antarctic, Latin America is the only area of the world which has been established as a nuclear-weapon-free zone by treaty, and that treaty is still not in force for some important countries of the region. Moreover, its protocols have yet to be adopted by all of the states to which they were designed to apply.

In principle, Canada supports the nuclear-weapon-free-zone concept. Our understanding of this concept has been deepened by the thorough study undertaken in the CCD and presented to the Assembly last year. I wish to stress, however, that, in Canada's view, the value of any specific nuclear-weapon-free zone proposal or arrangement will depend on whether it has or is likely to have the support of most countries of the area concerned -- including, of necessity, the major military powers of the region. It will also depend on a clear definition of the geographic area covered, on assurance that the arrangement would not confer additional military advantage to any state or to any group of states, and on the provisions made for ensuring that all component countries comply fully with the commitments involved and forswear the independent acquisition of nuclear-explosive capability. It is also essential that supplementary arrangements applicable to states outside the region concerned be realistic and fully consistent with generally-recognized principles of international law. Moreover, it is important to recognize that there can be no all-purpose blueprint for nuclear-weapon-free-zone arrangements. Obviously, when requested, the United Nations has a responsibility to assist in the establishment of such arrangements, but the terms of such arrangements cannot be imposed.

Before leaving the question of nuclear proliferation, I want to emphasize the need for a constructive approach to the assessment of

the progress achieved since the NPT Review Conference. Canada recognizes that the NPT is not a perfect instrument. Nevertheless, it must be borne firmly in mind that, whatever its weaknesses, the treaty's objectives are as valid today as they were when it was concluded. We agree with the many states which deeply regret that more has not been done to reinforce it.

It cannot be emphasized too strongly that the non-proliferation system is as much in the interest of non-nuclear-weapon states as of nuclear-weapon states. It is as much in the interest of developing countries as of developed countries. The non-proliferation system has the cardinal value of sparing non-nuclear-weapon states the diversion of economic and human resources to non-productive and potentially destructive ends.

Although first priority must be given to checking the growth and averting the spread of nuclear arms, we must seek and exploit every opportunity to curb the growth and use of other weapons. For three decades we have been spared a nuclear war, but conventional arms have continued to exact an appalling toll in life, suffering and material destruction. The international arms trade has reached mammoth proportions, and continues to devour vast resources urgently needed for productive economic and social purposes throughout the world. The need to check the growth and spread of conventional arms has been largely ignored in disarmament forums. Concerted international action is urgently required among both suppliers and recipients to check the growth in the arms trade. As other members of this Assembly have already suggested, it might be particularly fruitful to approach this problem at the regional level.

The Vienna negotiations for mutual and balanced force reductions in Central Europe offer the prospect of significant steps in disarmament and the reduction of the danger of confrontation at the regional level. Unfortunately, progress has been slow and the negotiations are now about to enter their fourth year with little measurable achievement yet in sight. Canada attaches high priority to MBFR and, in that forum as in others, will continue to work for the achievement of meaningful measures of disarmament and the improvement of mutual confidence.

It is particularly timely that, in the middle of the Disarmament Decade, we are reviewing the role of the United Nations in the field of disarmament. Canada fully supports the search for ways of enabling the UN to carry out this role more effectively. We have participated in the work of the Ad Hoc Committee established last year to undertake this review, and we are prepared to endorse its report. The United Nations remains the principal forum in which to focus world

attention on the need to limit and reduce the levels of military forces and armaments, for the exchange of views among member states on multilateral disarmament issues and for encouraging the examination of disarmament-related questions in other international forums.

At the same time, it has been repeatedly recognized in resolutions of this Assembly that the Conference of the Committee on Disarmament continues to be the most appropriate forum for the negotiation of arms-control agreements intended to have universal application. Canada deeply regrets that, except for the draft environmental-modification convention, no arms-control treaty has emerged from the CCD in recent years. Nevertheless, the CCD remains well suited to the negotiation of international arms-control agreements whenever fundamental political and other obstacles can be overcome. The value of the CCD would be greatly enhanced by the inclusion of those nuclear-weapon states that have not yet participated in its work. The CCD has decided to undertake a comprehensive review of its procedures early in 1977. Canada supports efforts to improve the effectiveness of the CCD and will, in particular, be prepared to give sympathetic consideration to changes in the structure or procedures of the CCD that would make possible the participation of more than three of the nuclear-weapon states.

The CCD's utility as a negotiating forum has been again well demonstrated this year by the elaboration of a draft convention to prohibit the military or any other hostile use of environmental-modification techniques. We are well aware of the reservations some countries have about the draft convention, particularly about the scope of its prohibition. We do not consider the draft convention to be a faultless document, nor, given the other and more pressing priorities in the arms-control field, do we regard it as a major landmark. Canada is, nevertheless, prepared to join in recommending to governments that they sign the draft convention in its present form in the hope that it will inhibit whatever plans some states might otherwise make or contemplate for the hostile use of environmental-modification techniques. Its provision for periodic review is particularly important in dealing with techniques so little understood as those the convention seeks to regulate. We also support fully the provision in Article III of the draft convention for the fullest possible exchange of scientific and technological information in the use of environmental-modification techniques for peaceful purposes, which, we hope, will help to foster greater international co-operation in a field of vital importance to us all.

Canada sincerely hopes that the value of the CCD will be further demonstrated in the continuing consideration it is expected to give to a convention to prohibit the development, production and stock-

piling of chemical weapons. Discussion of this question in the CCD and elsewhere this year has provided some glimmer of hope for at least a modest breakthrough towards resolving the problems -- particularly the problems of verification -- that have so long stood in the way of achieving such a convention. This Assembly should give further encouragement to the CCD to press ahead with this task.

We also look for progress in the Diplomatic Conference on the Reaffirmation and Development of International Humanitarian Law Applicable in Armed Conflicts. At this stage, all of us must redouble our efforts to ensure that agreements will be reached on certain prohibitions or restrictions on the use of specific conventional weapons that may cause unnecessary suffering or have indiscriminate effects.

Many members of the Assembly have expressed the view that the cause of disarmament could be significantly advanced by the convening of a special session on disarmament. Canada stands ready to support a call for such a special session and to participate fully and constructively in it and in the careful preparations that it will require. It must not be a dialogue of the deaf. Our objective for the session must be to infuse a new sense of purpose into the quest for peace and security.

I have sought to underline the arms-control problems Canada considers most pressing. It should be clear to this Committee that Canadians firmly believe that no more time must be lost in seeking resolutions to those problems. We must all, as the Canadian Secretary of State for External Affairs said in this Assembly on September 29, "re-examine our traditional assumptions, take adequate account of the security concerns of others and seize all opportunities for concrete action".



Statements and Speeches

No. 76/27

FIRST CENTURY OF CANADA'S JAPANESE COMMUNITY

Remarks by Prime Minister Pierre-Elliott Trudeau at a Dinner in Honour of Prime Minister Miki of Japan, Tokyo, October 25, 1976.

It is an honour for me, Mr. Prime Minister, to welcome you here this evening. Your presence and that of Mrs. Miki permit me in some small way to thank you for the gracious hospitality that your Government has extended to my wife and to me since our arrival in Japan a few days ago.

Neither of us are strangers to Japan. Yet each time we return we realize how very little we know of your country and of your customs. I hasten to add that on each visit we are renewed in our desire to acquaint ourselves with as much of Japan as we are capable of absorbing. To visit Kanazawa and witness its beauty, to view the *Noh* drama, to attend as a guest functions in the Imperial Palace -- these are moments we shall long treasure.

The purpose of official visits of this kind, Prime Minister, as we both know, is not simply to engage in formal conversation and to conclude agreements, important as these functions are. The purpose as well is to invite the people of each of our countries to focus their attention on the other, to gain through the cameras and the pens of the journalists observing us a better understanding of one another's homeland and policies. All these objectives have been met, and well, on this trip. Yet there is another dimension of poignant impact for each of Canada and Japan.

In coming months, tens of thousands of Canadians of Japanese origin will celebrate the centennial of the arrival in Canada of the first *Nisei* settler. His name was Manzo Nagano. He was born in Japan in that momentous year of 1853. He sailed from Yokohama in 1877 and disembarked in British Columbia.

I wish I could say, Prime Minister, that the many Japanese who followed that young man to Canada were made welcome and were recognized for the hard-working, law-abiding people they were. I cannot, for the record of intolerance in Pacific Canada in the decades around the turn of the century was not a proud one. No more exemplary was the decision taken by the Federal Government in the heat and fright of the Second World War to evacuate Japanese Canadians inland from coastal communities and to deprive so many of their civil rights. In the past 30 years, however, the record has been a much happier

one. In that period, *Nisei* have been accepted with enthusiasm into Canadian communities and have demonstrated again and again their talents and their skills. In the highest ranks of business, *academia* and the public service are found persons with Japanese names. A number of them are so well known as to be virtual national celebrities.

Your presence here tonight, Prime Minister, on this small part of Canada, is symbolic as well as actual. By your presence you anticipate the formal launching early in the New Year of this important centennial. By your presence, too, you give me the opportunity to thank Japan, on behalf of all Canadians, for the contribution made to Canada by the men and women of Japanese origin who have shown through their courage, their tenacity, their industry and their skills what gifted Canadians they are. Their contribution to Canada is out of all proportion to their numbers, and we are grateful to them for their many qualities.

One of those qualities, Mr. Prime Minister, is forgiveness. In Lethbridge, the Japanese-Canadian community -- a good part of which consists of persons moved involuntarily from the Pacific Coast -- designed, built and presented to the city a beautiful Japanese-style garden on the occasion of Canada's Centennial in 1967. Next year, in celebration of the other centennial I have mentioned, a number of Canadian communities will be the beneficiaries of *Nisei* gift projects.

Today, *Nisei* are valued members of the Canadian community. They remind us all, in Canada and out, of the richness of diversity, of the benefits of tolerance, of the liveliness of a community of multiple origins. It has been the policy of my Government to create in Canada the conditions for such a society, to emphasize the multicultural character of Canada, and to encourage each of our ethnic communities to preserve and honour its own language, customs and cultures. We want every Canadian to be knowledgeable about his own identity and confident of his own personality.

I look forward, Prime Minister, to the day when you and Mrs. Miki are able to visit Canada, as I hope very much you will soon be able to do, so that you may become reacquainted with this aspect of Canadian society.

May I now, in addition to extending that invitation, issue another? It is directed to all present, to join with me in a toast to the health of Prime Minister Miki and of his charming wife, to the happiness and prosperity of the Japanese people, and to the continued friendship and co-operation between Canada and Japan.



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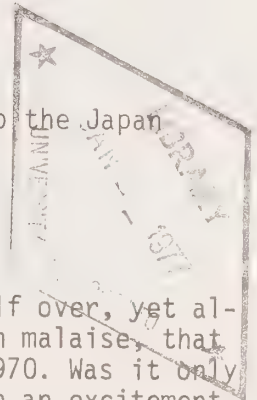
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Statements and Speeches

No. 76/28

JAPAN AND CANADA -- WINDOWS INTO DIFFERENT WORLDS

Remarks by Prime Minister Pierre Elliott Trudeau to the Japan National Press Club, Tokyo, October 26, 1976.



The decade of the Seventies is little more than half over, yet already it has produced such tumult, such shock, such malaise, that it is difficult to think back to the optimism of 1970. Was it only six years ago that the Seventies burst upon us with an excitement and a sense of expectation as intense as any period of our lifetime? Six years ago, I had the honour of sharing with you the pride of your achievement at Osaka. Was there any limit to the inventive genius of the industrialized world? Was there any barrier that could not be hurdled by the spirit of a free people? Canadians at Expo 67 and Japanese at Expo 70 had demonstrated their imagination, their discipline and their willingness to experiment and be drawn into the future.

In 1970 the key word, the mood, of the industrialized democracies was "confidence" -- confidence in our technology, confidence in our institutions of government. In six years, in country after country, that mood has been questioned and in some instances shattered. In Europe, in North America, in Japan, confidence in government has decreased sharply. Associated with that drop in confidence, but qualitatively distinct, is another phenomenon -- a cry for greater access to government information, greater participation in decision-making processes, greater accountability of governments to their constituents. No Japanese, no Canadian, is unacquainted with this phenomenon. Few question its essential wholesomeness.

Yet how many Japanese, and how many Canadians, are familiar with yet another dimension of equally wholesome pressure for governmental abandonment of authority and jurisdiction? This pressure is not from within, it is from without. It proceeds not out of idealism or theory but out of necessity and circumstance. Its impact on governments and on peoples will probably be every bit as momentous and far-reaching as were those long-ago events of 1215, of 1776, and 1853. This process demands of us increasing international co-operation in many instances, and the application -- through supranational authorities -- of universal solutions in others.

Only six years have passed since the beginning of this decade, yet we are all much more knowledgeable and somewhat more wise. Few statemen now would deny that there are some problems -- increasing

steadily in number -- that are incapable of solution through national action. Environmental protection and the whole realm of climate control are two such. Nuclear disarmament is another. So will be the orderly and equitable exploitation of the ocean-floor beyond the limits of national jurisdiction; so, increasingly, is exploration of space. And so, I have no doubt, will be a number of aspects of the development process and the monitoring of some facets of international economic relations.

Necessary and, I believe, inevitable as is this process of diminution of national governmental power, it may well be opposed by those same elements who, within our societies, object to the accretion of national governmental power. And often for the least rational, yet in some ways most human, of reasons. Citizens in democratic societies are reluctant instinctively to cede authority to any level of government, be it domestic or international.

In the world of the late Seventies, all of us who are engaged in the processes of persuasion -- politicians, journalists, academics -- must take care that in our arguments and our comments we do not permit the shibboleth of chauvinism to barricade the route to a world policy in certain essential areas, or to prevent the development of a heightened sense of community where it makes sense -- as it does between Canada and Japan.

Communities always take shape slowly. Even planned cities acquire only gradually a panoply of cohesive influences. The less-intimate relationship of one country to another often bars for centuries the emergence of any sense of community. That such sense is advantageous, however, is beyond question. So is the fact that the leisurely pace of past centuries is now inappropriate and dangerous.

In terms of the advantage of international co-operation, we see countless examples /in the relations/ between Canada and the U.S.A. Those range from co-operation in multilateral UN agencies, through farreaching economic agreements such as the Auto Pact to small, yet exceedingly practical, instances in hundreds of border towns and villages that share or exchange fire-fighting or water or other municipal services and facilities.

This kind of community was prompted in large measure in the first instance because of the accident of geography. There is a sharing of responsibility for continental air-defence and a joint command for the disposition of the two forces. The 1909 Boundary Water Treaty was the first accord in the world to introduce the conception of responsibility for cross-border pollution. It was complemented in 1972 by the world's most sweeping water-quality agreement.

In the public sector and the private, in activities economic and social, in schemes as disparate as athletic leagues and emergency medical services, there is a Canadian-American community. It is the finest kind of community, for it strengthens the individuality and sense of purpose of each country.

The boundary waters common to Canada and Japan are not so local as the Great Lakes or the St. Lawrence River. Yet, with modern technology, the Pacific Ocean offers less of a barrier today than did Lake Ontario to Canadians and Americans a century and a half ago. Even more than the breadth of the North Pacific, however, our most significant barrier today is indifference. So long as we fail, in each of our countries, to understand the benefits of an increased community, so are we less likely, when forced inevitably to accommodate, to preserve the opportunities for mutual benefit.

We in Canada, and you in Japan, have looked at one another for a long time by modern diplomatic standards, but often with more polite curiosity than informed interest. Canada first opened a resident embassy in Tokyo in 1929, only the fourth Canadian diplomatic mission in the world.

In the half-century that has followed, only the most recent 20 years can be said to have met any measure of the breadth and depth of expectations that had been initially aroused -- certainly in Canada and /also/, I suspect, in Japan. Each of us has, I think, been disappointed in that fact, and in the attitude of the other. In recent years, however, we have been challenged to stay abreast of the increased complexity of our relations. Japan has become Canada's second-largest trading partner, with an annual value of trade flows approaching \$4 billion, and one of Canada's largest sources of investment capital. Tokyo is the major Asian gateway for one of Canada's two principal airlines and an increasingly intimate associate in a wide variety of multinational activities ranging from the IMF to the Colombo Plan, from the OECD to the ADB. We are each increasingly aware that, if there is in some degree a complementarity to our economies, there is considerable similarity in our circumstances.

Each of us is located next to a giant power from which we protect our distinctive identity. Each of us has chosen consciously, notwithstanding our economic and technological competence, not to produce nuclear weapons. Each of us is devoting increasingly resources and efforts to the developmental process among the LCDs, as expressed in our current participation in the CIEC (Conference on International Economic Co-operation). Each of us has a major involvement in the future legal regime of the oceans and recognizes, notwith-

standing our differing views in some respects, the importance of finding accommodation in order to permit orderly processes to regulate all maritime activity.

It is in large measure to overcome that insidious indifference that I am here. My visit to Japan is not made as part of a tour of several countries. I am not dropping off here *en route* to or from some other state. I have come to Japan directly from Canada. My Government attaches singular importance to Japan and to the Japanese-Canadian relationship.

For that reason, I am very happy that this past week our two countries signed a "Framework for Economic Co-operation". This event marked the successful conclusion of a negotiation that commenced in 1974 and that in some measure reflects a similar negotiation Canada recently concluded with the European Community. The Framework Document sets out agreed objectives and undertakings by both Canada and Japan designed to facilitate co-operation across a range of economic sectors. I am confident that this new chapter of our economic history will demonstrate increasingly the mutual benefit of our partnership.

Canada, I suggest, has much to attract you. It is the only industrialized country in the world that has concluded an economic agreement with the European Community. Canada is the only country in the world that sells more than \$20-billion worth of goods annually to the United States, the greater part of them either processed or fully finished. Canada was the first country in the world to design, manufacture and employ a domestic-communications satellite. Canada was the first country to design, manufacture and employ a heavy-water nuclear-reactor system; in terms of reliability, efficiency and adaptability, the CANDU has proved itself superior to all other systems. Canada is the world's leader in the design and manufacture of STOL aircraft systems. As an economic partner, Canada has proved to many its sophistication and quality. I have no doubt that Japan, increasingly, will find this to be the case.

Pleased as I am with the accomplishment of the Framework Agreement and with the promising potential of our trade and investment patterns, I am nevertheless even more excited with the other dimensions of our relationship -- with the cultural agreement that was signed this week, and with the increasing importance our two governments are attaching to our political consultations. Both Canada and Japan offer to the other a window into different worlds.

The perspectives that Canada gains from its membership in NATO and the Commonwealth, from its North American neighbourhood and its activities in l'Agence francophone, from its long and varied experience as a member of virtually every peacekeeping and peace-

observation force since the inception of the UN -- these are offered to Japan, which in turn shares with Canada its deep understanding of the continent of Asia, its acquaintance with neighbouring political and social processes alien to the Canadian experience, the insights it gained as the architect of one of the great economic triumphs of history, its possession of a culture as rich and distinctive as may be found anywhere, its involvement in the "Pacific Rim". From our vantage-points on the opposite sides of the North Pacific, from our proximity to two of the world's giant powers and our shared geography with a third, Canada and Japan are able to contribute mightily to one another's understanding of the world. Even more important, we are able to join together in an attempt to resolve those problems of a global dimension I mentioned a few moments ago.

We are working together with other nations in New York, in Paris, in Geneva; together we have sat around tables recently in Puerto Rico and in Manila; Mr. Miki and I have pledged to one another this week that Ottawa and Tokyo will henceforth more regularly seek the views of the other as we strive to bring the Seventies under control, to ensure that their rich promise -- blurred as it has been recently -- will be realized by the decade's end.

And we have each acknowledged that, to a degree we have not yet fully comprehended, we are being measured by the nations of the Third World. They are watching our performance as democratic societies, the solutions we devise to meet our economic and social problems, our willingness to assume international responsibility. It is the Japanese and the Canadians of the world who will determine for the newly-independent countries whether they will opt for the difficult yet immensely rewarding path of individual freedom or follow the seductive but barren course of totalitarianism.

We are on display, we in the industrialized democracies. We are being measured by our words and by our deeds. If we are not able to rise to this challenge, if we are not able to demonstrate to others our awareness and our understanding of their needs, to demonstrate to ourselves the ability of our societies to function with self-discipline, honesty and compassion, then we shall have failed the test of the Seventies and our children in decades to come will curse us for our blindness. Japan and Canada possess the key to this riddle, the guide to exit from the labyrinth. We are more powerful symbols than we care to admit. By our attitude, by our performance, I want our children to say of us "taihen na oseiko osamemashita" ("well done").



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Statements and Speeches

No. 76/29

CANADA EXTENDS ITS FISHING-ZONES

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, in the House of Commons, Ottawa, November 19, 1976.

I stated in the House on November 5, 1976, that I would be reporting on my recent talks in Paris regarding Canada-France fisheries questions. I propose to do that today, but first I think it would be useful to review in a more general way developments relating to the implementation of our 200-mile fisheries zones.

The decision to extend our fisheries zones on the Atlantic and Pacific coasts was taken in the light of the urgent need to halt the rapid depletion of our fish stocks and arrest the decline of our inshore-fisheries industry, a situation that had reached crisis proportions. The urgent nature of this problem required us to take action before conclusion of the Law of the Sea Conference, where fisheries questions are among the many matters being discussed. Nevertheless, the new extended jurisdiction is in conformity with the consensus emerging at the Law of the Sea Conference. The principle is now firmly embodied in the Revised Single Negotiating Text that a coastal state has the sovereign right to manage the living resources of the seas in a 200-mile zone adjacent to its shoreline. The main features of the new Canadian regime are based on the relevant provisions of the RSNT.

A number of countries have enacted, or are soon to enact, 200-mile zones, including Mexico, Norway, Denmark, France, Britain, and the U.S.A. Most recently, the foreign ministers of The Nine agreed that a European Economic Community 200-mile fisheries zone should be in place as of January 1, 1977. Altogether, there are now some 50 states that have already established or will soon establish extended fisheries zones beyond 12 miles and, in many cases, as far as 200 miles.

Thus, from the standpoint of both emerging treaty law and cumulative state practice, there is a sound basis in international law for the action Canada has taken to protect the living resources in waters contiguous to its shoreline.

Canada has not only acted in accordance with emerging international law but has also made every effort to take into account the interests of those states directly affected by our extended jurisdiction.

We have been conscious of the need to avoid disputes with other countries stemming from our new fisheries-management regime. For this reason, Canada has taken a number of steps internationally, aimed at achieving a smooth transition to our new 200-mile jurisdiction regime.

Our first priority was to obtain agreement within the International Commission for the Northwest Atlantic Fisheries ICNAF on fishing quotas for the calendar year 1977 that would correspond to Canadian requirements within the 200-mile zone. At Canada's insistence, total allowable catches of stock have been set at levels low enough to ensure rebuilding of threatened species over a period of time. There will be a further meeting of ICNAF in December in Spain to deal with the quotas on a few remaining stocks.

The Commission, at our urging, is in the process of examining the role it might play in future. We have given formal notice of Canada's intention to withdraw from the Convention, as has the U.S.A. I am hopeful, however, that ICNAF can make the necessary adjustment to Canada's exclusive jurisdiction, management and enforcement in the 200-mile zone, and that new arrangements will preserve the long tradition of international co-operation, particularly in the field of scientific research, that has grown up within the Commission. On this basis, Canada could continue to play a full and active part in the work of the Commission. After the December meeting, we shall be in a better position to assess what our attitude toward ICNAF should be for the coming year.

Our next priority was to negotiate bilateral agreements with those countries that together account for almost 90 per cent of the foreign fishing operations off our coasts. The Government has now concluded an intensive round of bilateral negotiations, and fisheries agreements are now in place with Norway, the U.S.S.R., Poland, Spain and Portugal. These agreements set out the terms and conditions that Canada will apply in permitting foreign fishermen, under Canadian management and control, to harvest certain stocks surplus to our needs.

In addition, we have required the submission of fishing programs from all members of ICNAF who wish to fish off our coasts in 1977. This information is essential in order to ensure that these projected fishing operations are compatible with the quotas established by ICNAF with Canadian concurrence.

The problems on the Pacific coast are no less important and we are taking the steps we consider necessary to ensure that Canadian jurisdiction in our new Pacific zone is effective. Our recent bilateral agreements with the U.S.S.R. and Poland cover the Pacific

coast, and we are engaging in consultations with other countries that have previously fished there.

The Government will also take early action to promulgate an extended fisheries zone in the Arctic. There is no foreign commercial fishing in waters off the Canadian Arctic coast, nor are there depleted stocks requiring urgent conservation measures. However, the Government is fully alive to the need to safeguard the fishing interests of the Inuit /Eskimos/ and to provide for the future development of fisheries in the Arctic area. Consequently, the Government has decided to bring into force a 200-mile fisheries zone in the Arctic by March 1, 1977.

I have outlined the steps we have taken to ensure a smooth transition to the 200-mile jurisdiction regime. The response has been encouraging. Nations fishing off our coasts have shown a willingness to adapt to the facts of the resource crisis and to the new legal regime Canada is bringing in.

I now wish to draw your attention to an important aspect of the notice of Order-In-Council tabled by my colleague, the Minister of Fisheries and the Environment, on November 2, -- namely, the geographic co-ordinates defining the fishing-zones in which Canada will be exercising jurisdiction. If members agree, I should be prepared to table maps prepared by the Canadian Hydrographic Service illustrating the new zones as prescribed by the co-ordinates in the Order-In-Council. These co-ordinates raise maritime boundary implications with neighbouring countries. The Order-In-Council makes express reference to boundary-delimitation talks with the U.S., France and Denmark and affirms that the limits of the Canadian fishing-zones as defined in the Order are "without prejudice to any negotiations respecting the limits of maritime jurisdiction in such areas;....".

The United States Government has responded to the publication of the Order-In-Council by issuing in the form of a Notice in their Federal Register of November 4, 1976, a list of co-ordinates defining the lateral limits of its prospective fisheries zone, as well as its continental shelf in the areas adjacent to Canada. In a number of areas these lines differ from the Canadian co-ordinates. We do not accept these lines and we are so informing the United States Government through diplomatic channels. I am pleased to note, however, that the U.S. Government has mirrored the approach taken in the Order-In-Council by making it clear in the Federal Register Notice that the co-ordinates listed therein are without prejudice to any negotiation with Canada or to any positions that may have been or may be adopted respecting the limits of maritime jurisdiction

in the boundary areas adjacent to Canada.

During my visit to France, I had the occasion to discuss with the French Foreign Minister our plans for extension of jurisdiction by January 1 in the area off our east coast. At that time precisely, on November 3, the European Community officially announced the decision taken by all member countries to extend their jurisdiction over fisheries to 200 miles by January 1, 1977. While the new management regime will be decided by the Community, the determination of the exact areas to be brought under extended jurisdiction, of course, continues to belong to the individual member countries, and the matter of delimitation of waters off St. Pierre and Miquelon remains a question for Canada and France to work out. What I particularly wished to underline in Paris, and my French colleague was quick to respond favourably, relates to the urgent need for both our countries to put in place by the end of this year interim arrangements in waters close to the French islands. Such arrangements would avoid conflicting fisheries regulations on matters such as enforcement and licensing. I am confident that, as a result of those discussions in Paris, both sides have a keener appreciation of the necessity of early agreement on these arrangements.

Interim arrangements are especially necessary in the absence of agreed maritime boundaries off the coasts of the French islands of St. Pierre and Miquelon. While France has given itself enabling legislation to extend jurisdiction off any of its coasts, there has been no indication to date by France of its intentions regarding the area off St. Pierre and Miquelon. In the preamble to the Order-In-Council extending jurisdiction, we clearly indicated that the establishment of an extended fishing-zone is not intended to prejudice ongoing consultations on the delimitation of waters with France, and this matter is also being pursued.

Another important factor in our fisheries relations with France is that the bilateral fisheries agreement concluded in 1972 grants certain rights to French vessels, and in particular to vessels registered in St. Pierre and Miquelon, in the areas that are now under Canadian jurisdiction -- that is, in our 12-mile territorial sea and in the Gulf. These rights, which are not modified by the creation of our new zones, were granted in exchange for the abandonment by France of important treaty rights in extensive areas dating back to the time of French settlement in the area. Similar rights were granted to Canadian vessels off the coast of St. Pierre and Miquelon. We have made very clear to the French that the rights granted to their vessels by this agreement are exclusive to France, and cannot in any way be claimed or exercised by other members of the European Community.



Statements and Speeches

76/30

CANADA AND THE EUROPEAN COMMUNITY ENTER UNMAPPED TERRITORY

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, on the Occasion of the First Meeting of the Canada/European Communities Joint Co-operation Committee, Brussels, December 10, 1976.

I thank you, Monsieur Ortoli, for your kind words of welcome. It is a great pleasure for me to participate in this important occasion -- the inaugural meeting of our Joint Co-operation Committee. I can assure you that I share your appreciation of the approach that should inform and guide those concerned in the implementation of the agreement that we have "put in place" with the objective of bringing about increased economic co-operation between Canada and the European Communities. In particular, it is essential that those who, from today, will have the challenge of giving meaning and substance to our declared intentions should set about that task with a sense of realism and purpose.

In signing the Framework Agreement, it could be said that both Canada and the Community have entered into uncharted territory. As you have indicated, Monsieur Ortoli, the Agreement represents the first such agreement the European Communities have negotiated with an industrialized country. And Canada has never before negotiated such an agreement. We have, therefore, neither precedent nor experience as a guide.

What we do start with, however, are wide-ranging and deep-rooted links between Canada and the Europe of The Nine. These links have been and continue to be strong and vital -- those of history and ethnic origins, of shared values and traditions, of mutual security, of economic interdependence and of international co-operation. Indeed, it was this reality, these established relations, that impinged in no small way on the basic review of foreign policy that Canada undertook just a few years ago. One of the major conclusions to emerge from that review was the need to achieve a better balance or equilibrium in our external relations through the diversification of these relations, notably with respect to our external economic interests. Given our links with Europe, it was logical in the circumstances for Canada to seek a stronger and more vital economic content to our relations with Western Europe. Our consequent initiatives to develop our bilateral economic relations with the member states of the Community, particularly in the area of industrial co-operation, you are aware of, and, I am pleased to say, they are

beginning to show definite results.

It was our mutual recognition of the fact that the Community represented a new dimension to our relationship with Europe that persuaded us that there would also be mutual interest in developing that relationship in conjunction with the co-operation we envisaged with the member states. As part of this process, Canadian and Commission officials have developed the practice of holding regular informal consultations on economic issues of mutual interest. These have, appropriately, reflected the major role that both Canada and the Community play in international trade and economic relations, as well as our importance to one another.

We can now add to the Canada-Community relationship in a significant way under our new agreement by using this imaginative framework to bring about a dynamic and mutually -- beneficial expansion of our commercial and economic connections. Co-operation with the Community collectively will, of course, be pursued by Canada with full appreciation of the interests and competences of the individual member states. In our view, these relations should develop both bilaterally and with the Community as a whole so that they reinforce and complement one another.

This is one of the reasons why we consider it important that our joint efforts under the agreement should be launched with all possible speed. With the signature and ratification of the agreement, we completed Phase One, which can be considered the preliminary phase of the operation. Inasmuch as today's meeting of the Joint Co-operation Committee will be essentially organizational, we should perhaps regard it as the transitional stage leading to Phase Two. In our view, this next phase should begin as early as possible in the new year, so that the Joint Committee can get down to its main purpose, without delay, of bringing about co-operation in practical and effective ways. I think we are in full agreement that to achieve this objective the Committee will need to establish a substructure and *modus operandi* that will enable it quickly to identify priority areas or sectors for co-operation. At the same time, the organizational framework must be conducive to bringing together appropriate elements of our respective business communities in a close working relation. In the end, it is their response to the work that will be undertaken by the Joint Committee that will be of utmost importance to achieving results. I should underline here that our respective authorities will not be seeking to employ the agreement as a means of developing an interventionist approach. In our sort of economic systems that would not be appropriate, and that is not our intention. Instead, in selected areas, we shall be trying to promote economic and commercial co-operation and to foster an environment conducive

to industrial co-operation in particular. In short, while government will take as active a role as it can, given our economic system, it is clear that much will depend on the private sector. In particular, it will depend on the readiness of the private sector to respond to what I would call "catalytic action" on the part of government. That is, business must be ready to seize the opportunities that emerge from a process in which they will, of course, have been closely involved.

On the Canadian side, we are also very much aware that effective implementation of the agreement will often require the involvement and co-operation of our provincial governments. This is something we shall want to ensure and we shall, of course, make appropriate arrangements to associate our provincial authorities in the process of implementation. Our provinces, I am pleased to say, have expressed keen interest in and support for Federal Government initiatives in Europe. This applies particularly to what is envisaged under the Canada-Community agreement.

The proposed work program for the Joint Committee that officials will consider later seems to provide a well-blended menu. I am aware that some useful preliminary work has already begun in areas such as non-ferrous metals and forest products, and that there have been exchanges of missions between us in these sectors. These are of obvious interest to both sides, as, indeed, are other proposed items such as co-operation involving the telecommunications, construction and nuclear-uranium industries. As a Canadian from a region where the fisheries industry is a vital part of the economy, I am naturally happy, as well as intrigued, that the possibility of fisheries co-operation will also be explored, and I look forward to learning of what opportunities may exist for commercial and economic co-operation in this field.

In setting in motion whatever work program is agreed upon today, it is my hope that the Committee will apply the tests of pragmatism and realism to its deliberations. Neither side has suggested at any time that the agreement would be some kind of panacea, that it could transform our economic relation overnight, but we must guard against over-optimism without lessening our determination to succeed. I share your view, therefore, that, in the first year or so, the efforts of the Committee should be directed primarily towards a limited number of areas. This will by no means reduce the effort required of those involved, and that should not be underestimated. But, if it is well directed, the work of the first two years will put in place the most important building-block and permit us to move pragmatically from what may well be modest beginnings to more ambitious forms of co-operation. If we proceed in this way, I am confident that there will

be success down the road.

In closing, may I express to you, Monsieur Ortoli, and to your good colleague Sir Christopher Soames, our appreciation for the personal support you have alway given to our joint efforts to develop a closer and more vigorous economic relationship.between Canada and the Community. You may be sure that we have been highly conscious of the co-operation and the constructive spirit you have brought to our relations. Thank you.

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Statements and Speeches

No. 76/31

CANADA TIGHTENS ITS NUCLEAR CONTROLS

A Statement on Motions by the Secretary of State for External Affairs, the Honourable Don Jamieson, in the House of Commons, December 22, 1976.

I wish to announce a change in Canada's nuclear-export policy, a matter of central concern to the people and Government of Canada, raising as it does fundamental issues affecting world economic growth and world peace. In this Christmas season, our thoughts naturally turn to peace and the brotherhood of man. It is easy to pay tribute to these fundamental goals with words; it is more important that we do so with our actions. It is a challenge to the Government of Canada to respond to the demand of Canadian public opinion that this country exercise its influence towards the betterment of the global society in which we and our descendants must live. In the area of nuclear policy, there is no simple answer or it would have long since been adopted. It is rather the need to balance energy requirements, the advance of technology, that, regardless of what we do, will place nuclear capability within the reach of a wider and wider group of countries, and the need to establish a sound international framework that will curb the spread of nuclear weapons and yet take into account the legitimate economic aspirations of sovereign states. I wish to make quite clear, however, that the first priority -- indeed, the overriding priority -- is to prevent the spread of instruments of destruction.

In this context, I am pleased to announce that the Canadian Government has decided upon a further strengthening of the safeguards requirements that apply to the export of Canadian reactors and uranium. Shipments to non-nuclear-weapon states under future contracts will be restricted to those that ratify the Non-Proliferation Treaty or otherwise accept international safeguards on their entire nuclear programs. It follows from this policy that Canada will terminate nuclear shipments to any non-nuclear-weapon state that explodes a nuclear device.

This requirement is in addition to those outlined in December 1974. The purpose of Canadian safeguards policy is simple and straightforward. We wish to avoid contributing to the proliferation of nuclear weapons while, at the same time, satisfying the legitimate requirements for uranium and technology of countries that demonstrate the intention of restricting Canadian assistance only to peaceful non-explosive uses. Nuclear-export policy already requires binding assurances that what Canada provides will not be used for

explosive purposes. Existing policy, however, does not cover what a country receives from other suppliers or what it might do on its own. The new policy will close this gap. We shall have, therefore, assurance by treaty that Canada's nuclear customers will have been selected from amongst those countries that have made a clear and unequivocal commitment to the non-proliferation of nuclear weapons.

The development of the CANDU reactor has been one of Canada's great technological achievements. This technology is needed to reduce the world's dependence on oil. Moreover, our industrialized trading partners look to Canada as a source of uranium to fuel the nuclear-reactor programs that they, like ourselves, have undertaken to meet a growing share of energy needs. In the absence of alternative technologies, developing countries will also look to nuclear power once they have exploited other conventional energy resources and have built up the national power-grids necessary for large existing reactors. While research into conservation and renewable-energy technologies should be intensified, energy planning in Canada and elsewhere must look to energy resources at present available.

While the Canadian Government recognizes the legitimate energy requirements of its trading partners, it is determined to do everything within its power to avoid contributing to nuclear-weapons proliferation. It is for this reason that the Government of Canada has unilaterally decided to strengthen further Canada's safeguards requirements. As in the past, we are prepared to accept the commercial consequences of being clearly ahead of other suppliers. This is the price we are prepared to pay to curb the threat to mankind of nuclear proliferation.

We recognize that, for this policy to be fully effective, we must persuade other nuclear suppliers to adopt similar export policies. In discussions amongst suppliers, we have urged that a collective decision be taken to restrict their nuclear exports to non-nuclear-weapon states to those that have ratified the Non-Proliferation Treaty or otherwise accept full-scope safeguards. We regret that to date it has not been possible to reach a collective decision to this effect. Canada, however, is determined to assume responsibility where it has the power to act -- that is, with regard to Canada's own exports of nuclear equipment, technology and uranium. We are charting a course we hope will serve as a compelling example for other nuclear suppliers.

With this announcement I am calling on other nuclear exporters to review their own export policies, not in the light of commercial gain but in the interests of maintaining a safe and secure world.

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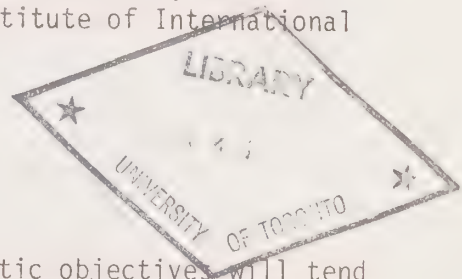
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Statements and Speeches

No. 76/32

CANADA'S INTERNATIONAL RESPONSIBILITIES

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Canadian Institute of International Affairs, Toronto, December 3, 1976.



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...(W)hile our domestic policy and our domestic objectives will tend to be fluid, at least superficially, our foreign-policy activities have to be of a more stable and long-range nature, and certainly cannot be subject to buffeting on a constant basis by a variety of pressure groups, however well-intentioned and however deserving those may be.

And so against that kind of brief comment about the way in which I visualize handling the foreign affairs of this country, let me spend much of my time now by talking to you about the subject that I thought might interest you more than any other, and that is how Canada will behave as a member of the Security Council of the United Nations when we assume our membership on that Council on January 1.

It is interesting in this context, by the way, to note that Canada is now taking on its fourth tour on the Security Council. We were there back in Mr. Ignatieff's first tour, I believe, in New York in the first decade of the United Nations, and we have been there in each of the decades since.

During that time, the Security Council has suffered its own ups and downs. There was a period when there was very grave doubt and many reservations were expressed as to whether or not, in fact, the Security Council and, by implication, the whole of the United Nations, might have to undergo serious revision in its structures and its mechanism, because it didn't appear to be working. Some of you will remember that back in the late 1950s the Security Council in one year met only five times because of a whole series of events that occurred during that period of the Cold War and the tensions between East and West. Well, since that time, slowly but to some extent, one can say, satisfactorily, the Security Council has changed its shape and has, in my judgment, become more effective. That does not mean that it is a perfect instrument -- clearly it falls far short of that; but, as against those five meetings that I mentioned in one year, in the first half of 1976, the current year, the Security Council has met some 69 times and, indeed, in addition to that, there have been a

number of informal sessions of one type and another, so that it can be said with a good deal of accuracy that the Security Council is now almost a continuing body meeting pretty much all the time, and one that has to be seised of the many serious problems that are generating and have generated tensions throughout the world.

For all these reasons, we in the Government of Canada thought very seriously this year when it became apparent that our election to the Council for the fourth time was probably going to come about. We had to ask ourselves whether, indeed, it was an appropriate role for Canada and, put very frankly, we had to ask ourselves whether we were prepared to make and to take the hard decisions that I have no doubt will be put in front of us over the next two years of 1977 and 1978. I think it is part of the Canadian tradition, and it is a reflection of that tradition, that, while we realized the problems that lay ahead, there was not in the last analysis any serious thought on our part that we could allow this opportunity to pass, or this challenge to pass. And so it is that, as of a month from now, Canada will be back on the Security Council.

What, then, are some of the issues that I see coming before the Council in the foreseeable future? Some of them are quite easy to forecast, quite easy to predict.

Undoubtedly, the whole troubled question of Southern Africa will, in one form or another, find its way to the United Nations in 1977. We, of course, have no way of knowing, any more than any other country has, what is going to emerge from the present round of talks in Geneva on the future of Rhodesia (or Zimbabwe, as it is now coming more and more frequently to be called).

For our part, looking at Southern Africa in total for the moment, we have, of course, consistently rejected and denounced the *apartheid* policies of South Africa. There has been no waffling, no qualification, in that regard. And, indeed, Canada was among those countries that urged, and ultimately achieved, the voluntary embargo by a great many nations of any sales of arms or sensitive equipment to South Africa, and we have scrupulously adhered to that policy for many, many years.

Incidentally, there is always room for discussion in responsible groups such as this as to Canadian policy with regard to commercial transactions of a non-sensitive nature with countries with which we have profound differences on matters of ideology. Up to now, we have taken the position that trade in commercial goods of a non-sensitive nature with South Africa ought to be carried on by private interests if they so wish, and that it is no part of the Government's

responsibility to put any inhibitions in the way of that type of trade. The same, of course, could very well be said for many other countries where, once again, we are strongly divided between ourselves and those countries on ideological questions. And so, therefore, our position has been that, in the broad terms of commercial activity, it would be virtually impossible for us to set down guidelines or restrictions in terms of how private interests in Canada will be dealing with countries about which we have these kinds of objections; and South Africa, of course, stands out as the best example of that.

Similarly, in terms of South Africa, we have at the moment a most pressing question in front of us with regard to the whole question of sports activities between teams or participants from Canada and segregated teams from South Africa, whether in that country or with South African teams coming to Canada. Once again, we have taken the position that individual citizens of our country should not be inhibited, or prohibited, in terms of what they wish to do as individuals, but that, as the Government of Canada, we are discouraging those kinds of exchanges and have determined that we shall not provide any form of financial assistance as long as the *apartheid* policies are maintained. This, of course, has led us and many other countries of the Commonwealth into a somewhat difficult position, as of this moment, with regard to the holding of the Commonwealth Games in Edmonton in 1978.

We have made many efforts already, and I believe with some success, to ensure, and to try at least, to have this matter resolved amicably and to ensure, I repeat, that there is the widest possible participation by Commonwealth countries, both black and white, in the Games; and I shall be holding further talks in that connection during this trip on which I am about to embark.

In the broader sense, of course, Southern Africa, as opposed to South Africa, is really more in the news these days because of the Rhodesian situation. And while none of us can, at this time, forecast what will emerge, as I said a moment ago, from the Rhodesian talks in Geneva, there is one thing of which we can be sure, and that is that majority rule will come to Rhodesia and will come sooner than later. And the question, it seems to me, that faces all of those who are either directly involved in the talks or who are in a peripheral role at the moment -- such as Canada -- is whether that transition to majority rule, which, of course, we support, is going to be brought about in an orderly and peaceful way or whether it is going to be accompanied by the kind of violence that all too frequently over the postwar years has accompanied the independence or freedom movement in one country after another, not only in Africa but elsewhere

in the world.

For my own part, I feel that the black leaders in Rhodesia have a great responsibility to recognize that they now have the opportunity to gain the support of the vast majority of the developed countries -- including Canada, including the United States -- by moving towards a rational transition, by working for a change that can be brought about with a minimum of disruption and with no bloodshed -- even though that may be an unrealistic expectation -- but nevertheless to work for the smoothest possible kind of change. And so the message that I have been conveying through all diplomatic and other channels that are open to us to the black leaders is to take to heart this important lesson and to demonstrate that they have the maturity and the competence to bring about this desirable change, which we and so many other countries support in the United Nations, in an amicable way.

...I am sure some of you who have a special interest will wonder whether or not any requests or proposals have yet come to us as to the kind of role that Canada might play during the transitional period. The fact is that, other than some quite general and, I may say, vague suggestions or comments, nothing has yet emerged of a specific nature for consideration by the Government of Canada. There has been reference, from time to time, to the possibility of the establishment of a special fund. And, incidentally, I should say in passing that much of the publicity in this regard has, I think, been somewhat off the mark, in that there is no suggestion that this fund, if it ever develops, will be used to finance the exodus of white Rhodesians. It is thought of more as a stabilizing fund for the preservation of the economic and political climate in the country, which, in fact, will encourage both the white Rhodesians and the black Rhodesians to settle any differences and to go on living amicably together. But I just mention that because there has been quite a bit of misunderstanding about it.

The second point is, of course, that there has been a suggestion that the Commonwealth might well have a role to play. And you may have noted that in my public comments on this question I have said simply that the principle is one with which none of us can really argue but that we should want to be very clear what kind of position a Commonwealth force, be it civilian or military, might be called upon to exercise in a Rhodesian situation in a transitional period. Certainly I should not wish, nor, I think, would any Canadian wish, to see Canadian forces, for example, used as a buffer between blacks and whites, or to see us once again thrust into a peacekeeping role between people who are genuinely, indeed, anxious to be literally at each other's throats. But, nevertheless, if there is a possibility

of a useful role for the Commonwealth, Canada will look at it realistically; but so far we have made no commitments on either of those scores.

I notice that, as I talk about these subjects, I tend to get into, perhaps, more detail than is necessary and therefore cut down on the amount of time that I want to spend on other subjects of equal, and perhaps greater, importance. So I shall simply say, in terms of the Southern African situation, that we are equally concerned about what is happening in Namibia. It is clear that it is an illegal régime -- a variety of international bodies have reached that conclusion -- and that South Africa is going to have to accept that decision and be governed accordingly.

Similarly, we do not, in Canada (nor to the best of my knowledge does any -- certainly any developed -- country) recognize the Transkei and that device and technique now being employed by South Africa as an appropriate, or suitable, or effective answer to *apartheid*. And so, therefore, it is not our intention, nor do I expect that it will be, that we shall give recognition to the Transkei as a full-fledged member of the United Nations.

But, as I started to say when I talked about the items that are going to come before the Security Council, you can see, just from some of the things that I have said, that the Southern African situation is going to be one of great intricacy and is going to call for a great deal of skill and, in some respects perhaps, a great deal of courage, on the part of the members of the Security Council, including Canada.

The second area, of course, where we are deeply concerned, for historical and many other reasons, is the Middle East. I do not think it any secret that matters in the Middle East, except for the tragedy of Lebanon, have been somewhat quiet in recent months for the very simple reason that all of the parties concerned realized that, until there was a resolution of the domestic election in the United States, it was highly unlikely that there would be strong initiatives from that quarter. Now the United States elections have been held. Fortunately, the situation in Lebanon is stabilized -- for how long, of course, we do not know, but it is stabilized and there is some ground for confidence. Therefore it is my view that negotiations with regard to a permanent settlement in the Middle East should begin at the earliest possible moment, that the situation that exists at present is one that (though, as I said, it is quiet now) could erupt once again into a very serious danger, not only to the peace of the area but to the peace of the world.

Now I am not particularly concerned whether the talks are held in Geneva or somewhere else, but it is my intention to call upon all of the parties -- in my official role -- to resume those talks as quickly as possible, and to commit Canada's best efforts to getting them going in a climate that is best designed to bring about a permanent solution. None of us is so naive as to think that that solution will come easily. But it will not come at all unless there are a commitment and a willingness by all the parties to get together in a realistic fashion and face the complexities of bringing about a permanent peace.

So far as Canada is concerned, our position, with regard to the State of Israel is clear, unequivocal. We subscribe to the United Nations resolutions that ensure Israel the right to survival behind safe and secure boundaries, and there is no intention, no thought, of changing that position. Furthermore, we believe that a settlement in the Middle East must not only ensure the letter of that United Nations resolution but the spirit of it as well. And, of course, we're equally determined, as I think every reasonable person is, to see that the Palestinians, the Palestinian people, are also relieved of the terrible crushing burden so many of them have had to suffer for so many years. On humanitarian grounds alone this is surely an essential element in any Middle East solution that must be found. And, once again, it is not enough, it seems to me, to argue that it is complicated and complex and that we had best get along with a little patchwork here and a little patchwork there -- that there are those hundreds of thousands of people who have rights, which again have been recognized by the world community, and that we must see that as an essential part of the equation and of the solution.

In the interim, of course, Canada has been one of the major contributors to the United Nations' organization for refugees in the Middle East, and only two or three weeks ago I was able to give to the Secretary-General of that organization an additional amount of \$300,000 for this year for that purpose. But all of these are what I have called patchwork solutions. I have no doubt that, as members of the United Nations, and particularly of the Security Council, in this coming year, we in Canada, as with South Africa but perhaps with more visibility, will have to make some very difficult decisions relating to the Middle East. And I have no doubt either that there will be many who will say, as has already been said, that, by joining the Security Council, in some way or the other Canada's policy towards the Middle East is going to change in some direction, there is going to be some perceptible shift. Let me reassure you on that point. Our policy will continue to be as I have outlined it and, as you who are students -- at least of international affairs -- will

know, we have declared it to be for many, many years. But I am also resigned to the very distinct possibility that, on this or that particular issue, there are bound to be those in Canada who will disagree with the position taken by Canada. I can only tell you that, during my period as Secretary of State for External Affairs, no such decisions, no such votes, no declarations, will be made or taken by us without the most careful analysis and scrutiny of resolutions or actions to ensure that they are consistent with the basic principles that I outlined a few moments ago.

There is much, much more that I could say about the Middle East, but once again time constraints make it impossible. But, if Canada, as has happened on two previous occasions, can be in the Security Council and can use its influence to move towards the resolution of the problems of the Middle East, then this will be one of the most satisfying things, I think, not only for those of us who have the active responsibility at a given moment but also for all Canadians, who have had such an intense interest in that area for so many reasons for so many years.

I suppose one of the other questions that is going to occupy us in the Security Council in the United Nations will be the question of the membership in the United Nations of some additional countries. Over the years there has been, of course, a growth in membership to the point where there are not very many countries that are not now participants, but there are some, one of them, of course, being the Socialist Republic of Vietnam. It is Canada's position that Vietnam should be entitled to and should be given membership in the United Nations. We say this because our commitment has been for years to universality. We do not believe that the United Nations ought to be a club made up only of countries that think alike; in point of fact, exclusions, as we have seen in the past on a number of occasions, simply result in a heightening of tensions in particular regions of the world or between different ideologies of the world. That is why, for instance, for the same reason of universality, we should argue for the retention of South Africa as a member, and we should argue for the retention of Israel as a member.

And so we should also, and shall, at the Security Council continue to press for the admission of those countries that are still outside the UN, even though, I repeat, we may not be even remotely close to agreeing with their ideology or some of their basic political principles. The point is that the UN will only work if we are prepared, within that forum, to listen to views and to argue with views with which we disagree, rather than spend our time in a confined club patting each other on the back and telling each other what good boys we are.

Also, in 1977, there are, I have no doubt, likely to be important developments in the whole area of *détente* and, of course, the companion area of disarmament. For a number of reasons, 1976 has not been a particularly productive year for East-West talks relating to disarmament. I think it is fair to say once again that probably the SALT talks and some of the others that have been going on in different forums have suffered as a result of the uncertainty about the future political leadership in the United States, as well as, of course, for a variety of other reasons. But in 1977, once again, I think it is incumbent upon us in Canada to call, as we have already started to do, on the great powers to undertake a determined effort to ease the tensions that are inherent in the current arms race. And here, once again, I'm sure you will understand that this is a subject that again could occupy many hours not only of talk but of discussion; but it is sufficient for me to say this evening that, to me, 1977 is a very crucial year in that vitally-important field, not only important in the sense that it heightens the possibility even of inadvertent war but also important in the sense that it is diverting such scandalously large sums of money into the arms race when so much of the world is in such incredible poverty and need.

And that brings me to the fourth and final area where I believe there will be great need for wisdom and vision in the Security Council in the United Nations in 1977 and in the years beyond, and that is in the area that has come to be called the North-South dialogue. This is such a complex subject that it is virtually impossible, without the to-and-fro of questioning and discussion in small groups, to deal with it adequately. But the simple truth of the matter is that we have a situation in the world today -- perhaps brought to a head by the OPEC-country developments -- in which the vast majority of the people of the world, the vast majority of the countries of the world, are in a deplorable condition economically and in every other imaginable way.

It occurred to me the other day, for instance, when I was looking at some statistics, that a simple way to try to convey the scope of the world's poverty was that there were 900 million families -- people rather -- in the world whose income in a year was only half of what a Canadian family with two teenage children received from family allowances alone. If you can think about it in those terms, it gives you some kind of conception of why we are facing, in the underdeveloped world, not only a challenge to our magnanimity but, I suggest, in a very real sense, a challenge, ultimately, to our survival. Because, until we can find a suitable means of sharing more equally, not just in the kind of welfare manner of much of the past but in a way that gives these people in these countries hope for the future, then there will invariably be the kinds of mounting

suspicion that have led to voting blocs in the United Nations, that have led to, in some measure at least, such repugnant resolutions as the association of Zionism and racism.

All of these things are a reflection, at least in part, of that ferment that is going on in the underdeveloped world. And so the North-South dialogue is reflected now in the Conference on International Economic Co-operation in Paris, of which my colleague and predecessor, Allan MacEachen, is Co-chairman. That forum must make progress, because, unless it does, unless the developed countries are prepared to demonstrate clearly what they are prepared and willing to do by way of commodity agreements, whatever form they take, by way of debt-forgiveness or easing for some of the poorest countries, and in a whole range of other areas, then, of course, the leverage of essential commodities such as oil, and the OPEC group, will unquestionably be used against the developed countries in ways I shudder to contemplate in terms of the potential they may have eventually for ripping the world literally apart.

And so, in the Security Council once more, Canada is going to have to be wise and judicious and generous, not only in terms of our own people and what they are prepared to do but in terms of the leadership that we can give to the developed world. All in all, then, it is going to be a busy year, and that is quite a challenge when one takes into account two other factors I want to touch on very briefly.

First, having to deal with a new administration in the United States. I have no great qualms, incidentally, about that prospect, because Canada/United States relations have gone on for so long and are based, by and large, on such a firm foundation of understanding and mutual awareness of each other that a change of administration is not going to significantly alter that relationship. But, nevertheless, it is going to be important that we deal with them in as frank and forthright and rapid a manner as we possibly can to avoid their festering into something far more serious.

And finally, of course, not only must those challenges at the United Nations be coupled with our relations with the United States and how we are going to share this continent but we also have to decide what we are going to do with our own country.

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Statements and Speeches

No. 76/33

THE CONTRACTUAL LINK: WHY AND HOW?

Address by Mr. Marcel Cadieux Ambassador of Canada to the European Communities, to the Canadian Institute of International Affairs, Toronto, November 24, 1976.

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I remember that -- it seems to me only recently -- I came here to discuss our relations with the United States. I welcomed then the opportunity, being at that time Ambassador in Washington, to outline some of the problems that then seemed to me to be important in this sector of our external relations. I found it of benefit to hear comments and to deal with questions related to the points I had brought up for discussion.

Today, I propose to deal naturally with a different aspect of our external relations -- our link with the European Communities. This is all the more understandable now that I have now been transferred to Brussels where I am in charge of our Mission to these Communities. But, to be frank with you, there is another reason why I welcome this opportunity to answer some of the questions I think are being raised here in Canada concerning these relations.

Unless I am wrong (and when you are abroad it is more difficult to keep in touch with feelings and trends at home), my impression is that, in certain quarters, business and the media, and perhaps also in academic circles, there is some uncertainty concerning our relations with the Communities, the "contractual link" and, more particularly, the agreement that was signed with the Communities on July 6 last.

During the time available this evening, I should like to address myself to this particular problem and try to provide answers to two questions: Why did we want or need to have a contractual link with the Communities and how do we propose to implement it? I shall be brief in my observations so as to allow more time for questions, for a dialogue. I am just as keen to get your views as to deliver my message.

I should point out, in trying to answer the first question, that we are not, obviously, a member of the Community. Because of this, it is more difficult for us to know what is going on within the

Community than if we were inside and a member. We are not involved in the preparations of the decisions, nor do we contribute to these decisions directly. In NATO, to give one example, we are a member of the Council, we know what papers the staff are putting up, we are involved in the discussions and we take part in the decisions. As soon as the Council is over, our Permanent Representative can immediately report to Ottawa what exactly has transpired, who said what, which particular positions were taken by which member country, and why.

When it comes to the Community, the situation is different. The Council meets sometimes in Brussels but often in other European capitals, and we can very often only find out what has happened by seeking out afterwards harassed officials who are trying very hard to figure out and record what transpired at the meeting they just attended; they are also trying to figure out how they will carry out decisions taken at these meetings and prepare themselves for the next steps that have to be undertaken. There are probably many dozens of representatives of other outside entities, like Canada, who are trying to have access at the same time we ourselves want to know what is going on. In these circumstances, there is a clear advantage in having an agreement with the Community that we are to co-operate and to keep each other informed as to what we may do or contemplate doing that may have an effect on the interests of the other. In a situation that is difficult to observe, where we have difficulty of access, a special pass, a promise that we shall be informed and, when appropriate, consulted, is of great advantage. I can assure you that the job in Brussels of keeping in touch with Community developments, of presenting Canadian views and, in some cases, trying to influence decisions and even to protect specific Canadian interests at the appropriate time, is greatly facilitated as a result of such an arrangement.

But this is merely by way of introduction. Let us now deal with matters of even greater substance.

In the first place, we have to remember that the Community is the largest trading entity in the world. It is, so far as Canada is concerned, collectively our second client, after the U.S. and, I believe, slightly ahead of Japan. It is clear, therefore, that the Community, both as a client for our exports and as a source for many of our imports, is of importance to us. Some of its decisions may hurt our export prospects, and in similar fashion some of our decisions may impact Community interests. It is, therefore, important that we should be in a good position to discuss these matters with the Community, in timely and effective fashion. Is it not obvious that, if the Community and we can agree and proclaim that we propose to do this systematically with a desire to promote our

mutual interest, such an agreement, of itself and by itself, apart from anything else, is valuable and worth having in terms of our narrower bilateral relations -- that is, Canada and the Communities (leaving to one side, for the moment, our bilateral relations with individual member states)?

There is also the point that the Community is an important entity in international affairs; its decision, the course that it intends to follow, is of considerable importance to us. For instance, the Community, like Japan, like the U.S., is a major participant in trade negotiations in Geneva. Similarly, the Community position in the North-South dialogue is a factor of obvious and considerable significance as to the outcome of the process. It is, therefore, again of importance to us that we should have access to the Communities and that we should have opportunities to discuss beforehand the courses we and the Communities intend to take in these as in many other international organizations dealing with matters, which, after all, are to us of bread-and-butter interest on an everyday basis. The contractual link commits the Community and ourselves to consultation, to keeping in close touch so that we can operate in such a way that we shall avoid whenever possible conflicts and that we can, it is to be hoped, concert our action to our mutual advantage. This is also a plus for the contractual link.

Apart from trade and aid, the Communities are also, in matters within their jurisdiction, a substantial entity in such fields, for instance, as East-West relations or foreign affairs more generally. We have again an interest in finding out what the Communities are doing and in concerting our action with them. The point, it seems to me, is obvious. It is important, and its application can be seen in many areas that now or later will fall within the jurisdiction of the Communities. This is an area of growing importance, where the Community is successfully and systematically developing comprehensive and co-ordinated policies.

To illustrate this, I can mention the efforts that have just now been made by the Communities to put together a Mediterranean policy. The Communities have concluded agreements with the Maghreb countries, as well as with Israel, and now with the Mashrak countries -- that is, Syria, Jordan and Egypt. The Communities, in the same area, are negotiating with Greece concerning its possible entry into the Communities and pursuing complementary, if difficult, negotiations, with Turkey, which is also an associate state. These dealings between the Communities and these various states in the Mediterranean area call for financial assistance, for trade privileges or special trading arrangements and for

co-operation in such fields as industrial development. At the same time, the Communities have recently agreed to negotiate a "privileged" agreement with Iran. If we bear in mind that we also, Canada, have arrangements with a number of these countries, if we recall that in Palestine, as well as in Cyprus, we have troops that are performing peace-keeping tasks, and we are partners of Greece and Turkey within NATO, is it not obvious that we and the Communities have a good deal to discuss, if only to ensure we understand each other's policies? An undertaking on the part of the Communities to listen to us, to let us know what they propose to do, is something that is not of mere theoretical or symbolic value.

There is yet another key aspect of the EC-Canada agreement that I wish to discuss: the question of promoting trade, investment and industrial co-operation in a mutual fashion -- say, factories in Canada and in Europe -- or in a joint venture in or with third countries -- say, factories in a developing country.

Here it is important to be quite clear.

There is no doubt that, in a free-market economy, relations between governments and business are not always easy, whether in Europe or Canada; in such an economy, it may appear at first sight that there are contradictions between the system in general and attempts on the part of governments to influence the volume of trade in any particular direction. This objection or concern is, however, more theoretical than real. One has to remember that the state, in a country like Canada, as in a number of West European countries, traditionally plays an important role in terms of regulations and also in terms of involvement in important sectors of the economy. To that extent, therefore, an agreement committing governments to co-operation is not merely of a framework or symbolic character. It may affect, for instance, government procurement. It may also involve commitments or undertakings relating to policies in such areas, for instance, as mining, investment, upgrading. It may well be that, if there is a political will and we *know* that there is a political will, on the part of the two entities, the Communities and Canada, provided the right package can be put together, there is a clear prospect of numerous and important deals in such sectors. It will, therefore, not do merely to describe the contractual link between Canada and the Communities as mere facilitating, as a purely theoretical arrangement.

This being said, it is quite clear that, in many ways, given the

nature of our economy, it will be up to the *entrepreneurs*, the investors, the financiers, the bankers to see what can be done to develop our relations with Europe in the broader sector where they can operate on their own. In a way, this is the very spirit of our system. We have to leave the initiative to individuals. They have to decide first whether there are opportunities for them to trade, to invest, to make money and thus to contribute to the expansion of our economic base and consequently to our national prosperity. But in this vital area also the EC-Canada agreement is directly relevant. Promoters, in trying to create successful undertakings, may encounter difficulties that the Canadian Government and the Communities may be in a position to eliminate. The contractual link is precisely a commitment on the part of the two entities to do just that. And it provides a means, a mechanism, for doing so -- I mean in the Joint Co-operation Committee set up by the agreement, which will hold its first, largely organizational, meeting in Brussels next week.

It should be equally clear that the agreement cannot be fully effective if the provinces in Canada, which have very substantial powers in the fields of industry and agriculture and natural resources, do not "get into the act". *Mutatis mutandis*, the same can be said about the European Community member states. We can assume, however, that here there is, on the part of the provincial and European entities concerned, no objection in principle to arrangements between Canada and the Community and commitments that are intended to increase the volume of our business and develop our links generally. There may be problems in terms of consultation, in terms of priorities, in terms of the impact of certain schemes in certain areas in Canada or in Europe. But, by and large, however, it should be possible for us to discover means of liaison with the provinces and with our European EC partners to ensure that, in expanding our economic and commercial relations, we can achieve a degree of effectiveness of which France and Japan, in particular, provide examples. They manage to bring together businessmen and officials and bankers and find ways to package satisfactory deals and thus to penetrate markets.

It seems to me that what I have said in general terms so far demonstrates amply the need for the deal made with Europe, which is intended, in essence, to enable us both to expand our relations to our mutual benefit. There is in some respects a natural "complementarity" between the European economy, and its need for raw material and resources, and the Canadian desire to develop, on terms that have to be negotiated, the natural resources we own.

I might mention here that the Europeans are open for business. They understand that Canada has reached the stage where we wish also to export semi-finished or fully-finished material. They fully understand that classical nineteenth-century deals involving the mere export of unprocessed raw materials are behind us. This attitude is not peculiar to Canada, and the Communities have, on occasion, demonstrated their ability to react flexibly to the demands of other exporters. It is inconceivable, therefore, that the very Communities that have, for example, granted access to their markets, on more generous terms, to a growing list of industrialized products from the countries with which they are associated, the ACP countries, through the Yaoundé and the Lomé Agreements, would be incapable of contemplating, on a case-by-case basis, arrangements with Canada that would meet on both sides the kinds of preoccupation peculiar to our relations.

I now come to the second question: How, in effect, do we propose to implement the agreement between Canada and the Communities?

In a way, it might be easy to answer this question by merely saying that the agreement provides the opportunities, that the governmental entities will do what they can in sectors that they control and that it will be up to businessmen to do their normal job and to undertake an exploration of prospects, and even to take the usual risks. If and when difficulties arise, policy-makers can then see what they can do. It may well be that a good deal of what may happen under the agreement will happen precisely in this fashion, but that is not the whole story.

First, it has to be seen that we and the Communities, in appropriate forums, can do a lot together and with other partners, of course, that will liberalize trade, improve the functioning of the international monetary system and thus create conditions that will have a direct stimulating effect on our bilateral relations. It is also clear that, at this stage in the development of the Communities, national entities within the Communities remain the controlling element in many areas; there is no reason why, at the bilateral level, we should continue to do all we can to expand our economic, financial and industrial relations. For instance, everything that we have been doing in the past to promote trade and investment with Britain, with France and Germany, with Italy, can be continued and expanded.

As I pointed out before, in areas where the Communities have jurisdiction, though the agreement we can deal with them and do what we can to promote business. We can try to anticipate where

the Communities will acquire new jurisdiction. For instance, it might be that the member states will agree to give powers to the Communities -- say, in the area of aeronautics or in the area of transport. Such being the case, thanks to the agreement, we can relate to the Communities as their power evolves, and see what we can do to promote business between us and them, leaving no void, no area, not covered as power or jurisdiction is redistributed between the Communities and the member states. The agreement has an evolutionary provision. It enables us to relate to the Communities as they are now and as they may develop in the future.

In addition to the usual techniques and procedures that are used to expand trading relations, chambers of commerce, exchanges of visits, exhibitions, seminars, etc., the Community and we have undertaken an exploration of additional prospects through what has been called the "sectoral approach". Already the Community has sent to Canada three missions, on uranium, non-ferrous metals and forest products, to find out how it might be possible to supplement what is being done bilaterally and to investigate prospects of additional operations between the Community and Canada, within the sectors I have just mentioned. Reciprocally, we have sent a forestry-industry mission to Europe and we are contemplating sending additional missions. This sectoral approach may not be miraculous, may not produce instant solutions, but it is an honest and systematic effort intended to leave no area unexplored and to make sure that the extent to which the Community is competent and has taken over from its member states is fully utilized. We are so to speak "plugged in" and thus endeavouring at all levels and in every sector to do what we can to achieve our objectives.

And in this respect the agreement is relevant in another way: it provides for a machinery of consultations that may prove to be extremely important to this achievement of the policy of developing our relations. The agreement provides for continuing informal consultations but also establishes more formal machinery for regular and high-level encounter between decision-makers within the two entities. This can provide a monitoring instrument that will record and sustain success, identify difficulties and mobilize the political will to resolve them.

It may well be that this consultative machinery will provide a number of additional dividends. If, for instance, the bilateral schemes and the sectoral approach do not enable us to achieve what we have in mind, the machine may of its own develop new impetus, seek momentum elsewhere, almost compel us to search for and

develop additional or alternative means of promoting closer links between us. There is also the advantage that, in a situation where, in some ways, we are outsiders, where we do not have ready and immediate access to information, the personal contacts that will be established as a result of formal and informal meetings will in the end make it easier for us, within the Mission to the Communities, to find out how they are working and what new courses of action they may be contemplating.

To summarize now. It seems to me that to both questions, why we needed a contractual link and how we propose to implement it, there are sensible answers. They may not always be easy to work out, particularly as regards the second one, but I myself find it intriguing and challenging to see, in effect, how we can use existing instruments to achieve policy objectives that are desirable in themselves and, if these traditional instruments do not work well, to experiment with or seek new techniques, new procedures, to achieve these results. I am quite convinced that we should, and will, develop our mutual links to our great advantage. There is the political will to achieve this; it will be astonishing indeed if, given the favourable circumstances I have just outlined, we were not able to find a way to succeed.

I should mention here as a good omen the fact that the link, the contract, was negotiated very quickly, contrary to many prophets of gloom. I see in the speed of these negotiations an indication that, on both sides, there is good will and a belief that something can be achieved. I might add as another favourable sign that schemes to implement the agreement did not await signature. Sectoral missions were exchanged between Canada and the Communities while the negotiations were going on. And in this next phase, when we are to set up the machinery, the links, formal or otherwise, foreseen or provided for in the agreement, additional schemes are being carried out. There is a continuing search for arrangements that will enable us to achieve the object of the agreement. If the private sector and governmental entities in Canada, as well as in Europe, can find a way of co-ordinating their efforts, I think that we can be successful. I am not suggesting that results will be immediate and that they will be very substantial to begin with. After all, geography must remain a factor and progress in implementing this scheme will be related to policy decision both on the part of the Community and on the part of our own Government that will have to evolve at the normal speed with which decisions of substantial national importance are made. But then the problem is not with the agreement or how we implement it but with the very structure, the very development and operation, of both Canada and the Communities. Even then,

and in this broader perspective, the agreement and what we can do to achieve its purpose represent a positive element and a worthwhile factor.

The 1972 bilateral agreement also refers to the possibility of extension by either country. In Article 2, the Agreement states that each country will, in the event of a modification of the areas under its jurisdiction, undertake on the basis of reciprocity to recognize the right of nationals of the other country to continue to fish in the modified areas, under rules and regulations to be applied by the country having jurisdiction, including, in our view, regulations on quotas, licensing and enforcement.



Statements and Speeches

No. 77/1

CANADA AND BRAZIL: ENORMOUS POTENTIAL FOR ECONOMIC CO-OPERATION

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, in Brasilia on January 12, 1977.

* * * *

Canada and Brazil, alone of all the great countries of the Americas, have been able to achieve their independence without the horrors of civil war, and the consequent disruption of the cultural ties with Europe that have often accompanied nationhood in other parts of our hemisphere. Because we both have throughout our history drawn on Europe as well as America, we both have been able to develop societies that stand out in many ways from those in the rest of the hemisphere. Canada has been immeasurably helped in this process by the fact that it possesses not one but two major languages, which have allowed it to take advantage of the experience and the richness of two European cultures. Out of this wealth of influences we have sought to take the best, whatever the source, and adapt it to the Canadian experience:

-- Our constitution reflects this. While we are a federation like Brazil and many other countries of the hemisphere, we also have one of the few parliamentary systems in the hemisphere.

-- Our economic system also reflects this. We have a mixed economy in which both private and public companies exist side by side. We have established the Foreign Investment Review Agency, which examines proposals for new foreign investment or foreign acquisition of existing Canadian firms to ensure that the investment or acquisition can be shown to be of significant benefit to Canada. We are now trying to channel foreign investment so as to derive the greatest benefit from it.

-- We have been inspired by European examples in drawing up our extensive social-welfare system and have pioneered some schemes of our own. I must add that I have been impressed by what I have heard of the way in which the Brazilian Government has used its pension fund to build housing for the less-fortunate.

-- We have drawn on both European and American examples in the extensive assistance we give to both education and culture.

While we have greatly benefited from the diversity of influences available to us, we have only been able to draw on these sources and maintain the country open to the winds of change that are sweeping the planet because of our commitment to the principles of an open society. Our deeply-rooted respect for democratic freedoms and human rights has also been for us a means of dealing most effectively with the linguistic, cultural, regional and social differences within Canada. I would be less than frank with you if I did not admit that it has not always been easy for us to maintain these principles. We have suffered from the stresses and strains that have arisen from the accelerated pace of history in our time. Nevertheless, we are firmly of the belief that the open society, with all the risks that it entails, is in the long run the only way of successfully achieving change in stability, as well as unity and prosperity.

We now have in power in one of our provinces, Quebec, a government that advocates its separation from the rest of Canada. As a member of the Government of Canada, I want to assure you we are confident the country will remain together. Canada has been in existence now as a Confederation for over 100 years, and this is not the first threat we have faced. Canada has a genius for compromise in the best sense of the word. For this reason, I am certain that this most recent threat to Confederation will be resolved as well.

So far in my remarks I have described the political and cultural parallels in the pattern of development of our two countries. I have, however, neglected an area in which the parallels are perhaps the most striking -- that is, we have faced the problem of attempting to develop with inadequate financial resources, and an often hostile nature, enormous territories enclosing substantial wealth. To do this, we have responded in a similar manner. We have both had to develop or acquire the organization, the technology, and the infrastructure necessary to open up our vast territories and to realize their potential in hydroelectric power, in raw materials, and in agriculture.

If the problems we face in developing show strong parallels so too do the results. We have both expanded to become not merely countries but subcontinents in our size. You are larger than the continental United States; we are second only to the Soviet Union. We are both lands of the future. You, with your vast expanses and your population of 110 million, are surely destined to become one of the world's great powers. We, although we can claim a population less than a quarter of yours, have nevertheless achieved a gross national product comparable to those of many of the major industrial powers of Western Europe.

Because of our particular historical evolutions, moreover, we both have established a well-developed network of relations outside the Western hemisphere.

Because of the many parallels in our development and our present situation we have managed to achieve an appreciable degree of co-operation in many areas. Our extensive geography and long coastlines have brought us to work together closely at the Law of the Sea Conferences. Our dual position as industrialized countries and as exporters of raw materials has permitted us to co-operate closely together at the United Nations and at the Conference on International Economic Co-operation in the continuing dialogue on a new economic order. Most important of all, there has been close and rewarding economic co-operation in the past 80 years. Today there is a greater concentration of Canadian investment in Brazil than anywhere else abroad apart from the United States. We are your fifth most-important suppliers of investment capital. Canadian investments in Brazil amount to \$1 billion, while Canadian banks have lent a further \$1 billion. Within the Western hemisphere, we are each one of the other's most important trading partners.

Although we have achieved appreciable results up to now, I consider that the potential for our relations remains far greater. We intend to develop that potential, for we attach a high priority to our relations with Brazil.

We are at present engaged in an effort to balance the rich and extensive relations we enjoy with the United States by intensifying and enlarging our economic and political contacts with the other major regions of the world. We recently have undertaken important steps with the European Economic Community and Japan -- steps that, I believe, will allow us better to reach our capacity for growth. Latin America and, in particular, Brazil, is for us, a third area with which we wish to co-operate in the pursuit of substantial and mutually-beneficial development.

Since we took the decision in 1970 to strengthen our links with the other countries of the Western hemisphere, we have appointed an ambassador as Permanent Observer to the Organization of American States, we have become members of the Inter-American Development Bank, we have finished joining all the significant specialized agencies of the OAS, we have provided financial assistance to the Andean Pact, we have offered to collaborate in the technical-development projects of SELA and we have established a number of bilateral co-operation programs throughout the area.

Within the Western hemisphere, I can assure you that there is no country more important for us, apart from the United States, than Brazil, and the further we look into the future the larger this vast country looms in our minds. Since the visit here in the autumn of 1974 of the then Minister of Industry, Trade and Commerce, Mr. Alastair Gillespie, we have attempted to pursue our interest in closer relations with you with increased vigour; this was particularly evident last year. In March and then again in November, the President of the Canadian International Development Agency visited here to see how our new assistance strategy for co-operation with countries lying between the industrialized and developing world could apply in Brazil. Through this strategy, which is based on the principle of co-operation between equal partners, we hope among other things to promote co-operation in science and technology, and joint ventures between firms of equal size. I might add, incidentally, that we have committed ourselves to spend around \$18 million in Brazil in conventional forms of developmental co-operation between now and 1981.

In June, we concluded the agreement to establish a Joint Committee on Trade and Economic Matters. In September, our Minister of Agriculture, Eugene Whelan, visited here to discuss co-operation in agricultural technology. In November, the first meeting of the Joint Economic Committee was held in Ottawa. Now I am pleased to come here at the head of a delegation representing several government departments to build on these efforts and to prepare for future visits, and I can assure you we shall not let up.

We have always looked upon Brazil as one of our major interlocutors as we have progressively become more engaged in hemispheric affairs. Our own separate political traditions, which are so different from those of most of the other members of the hemisphere, have given us an understanding of the special position occupied by Brazil in the inter-American system. If we look at you outside the framework of the Western hemisphere and in the broader context of the world at large, we see in you a country that is very much a part of the West, but one whose pattern of development allows it to understand the aspirations of the Third World.

We too are well-positioned to appreciate the aspirations of developing nations to attain a more rapid transfer of real resources and accelerate their pace of development. As the co-chairman for the industrialized nations at the Conference on International Co-operation, in which Brazil too is an important participant, we have been working strenuously and closely with

Sr Perez Guerrero of Venezuela to bridge the gap that at present divides the developed and developing countries.

I have been struck recently by the extent to which the discussions at the conference between developed and developing countries on commodities, as well as on other issues central to the "North-South dialogue," have become rhetorical. It concerns me deeply that we do not yet seem to be able to make significant progress on these key issues. It does seem to me that countries like Canada and Brazil can, particularly in the area of commodities, contribute in a pragmatic way toward finding solutions that meet the needs of developed and developing alike.

In some commodities our exports make up a significant portion of total world trade. For example, in the case of iron ore, exports from our two countries amounted to about 23 per cent of world iron-ore trade in 1974. For colombium concentrates, Brazilian and Canadian exports constituted approximately 75 per cent of world trade in 1974. Each of us also exports significant amounts of other commodities -- for example, in Canada's case, copper, nickel, uranium, and lead and zinc. Yet Canada also is dependent on imports of other key commodities such as petroleum and tropical products, including coffee. Thus we can understand the need for having commodity arrangements for specific resources that meet the needs of consuming, as well as of producing, countries.

We also want to work closely with you in bringing to a rapid and successful conclusion the multilateral trade negotiations in Geneva. Canada, as a major world trader, regards these negotiations as being of critical importance. We are very conscious of the special role Brazil is attempting to play in these negotiations in order to ensure a satisfactory outcome for the developing countries. You will be aware as well of the initiative taken by Canada in proposing a complementary negotiating technique known as the "sector approach", which is designed to assist resource-exporting countries, both developing and developed, in obtaining better opportunities to produce and market abroad some highly-processed resource products, as well as raw materials, and thus to create a greater degree of industrial activity and employment in our domestic markets. I should strongly hope for Brazilian support for this initiative.

This is not all. We wish to continue our close collaboration with you on law-of-the-sea questions. We wish to develop our nascent dialogue on African affairs. We are well aware of the close relations you have been able to establish with the

African states, in particular with the Portuguese-speaking countries, and we wish to know your views.

Because of the close "complementarity" between our economies, it is in economic affairs that there is the greatest potential for co-operation between us, and especially between the private sectors of our two countries. Due to our own pattern of development, we are world leaders in many of the areas that are now important for the expansion of your economy: in telecommunications and railways, in airport construction, in aircraft engines and short-takeoff-and-landing aeroplanes, in hydroelectric generators and long-distance power-transmission. I hope to deal with this aspect of our relations in greater detail in my visit to Sao Paulo and Rio, where I expect to meet business leaders.

What is necessary is to ensure that the enormous potential for economic co-operation between us is better known. We have participated, and we shall continue to participate, in your trade fairs. During the past year, we have held a joint railway symposium in Rio de Janeiro, a joint airport symposium in Sao Paulo and we took part in the Porto Alegre agricultural show. We shall continue to send ministerial missions. We shall also be active in the cultural field. Our pianist Arthur Ozolins was one of the attractions of the Sao Paulo Air Force Week. The Canadian guitarist Liona Boyd is touring Brazil right now. Later this year, I am happy to announce, the Grands Ballets Canadiens will visit this country. We are even doing something with you in sports. As you may know, a Canadian lady jockey rode the winner in the 1976 world championship at the Sao Paulo Jockey Club. One day we may even meet you on the soccer field.

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Even if we are fully aware of the great potential that exists for co-operation between us, it is of little importance unless our respective economic policies take into account our mutual interests.

We fully understand your industrialization policy and we are making every effort to adapt to it. We recognize, in particular, that Canadian firms doing business in Brazil must gradually shift their emphasis from selling to a greater involvement in the development of the Brazilian economy through technical, industrial and financial co-operation with Brazilian companies.

In order to finance such projects, the Canadian Export Development Corporation has been and will continue to be ready to provide short- and medium-term insurance, as well as long-term financing

and insurance for Canadian investments abroad. At present it has committed \$183 million to Brazil.

We do not expect our co-operation to be only in one direction. The Canadian market remains one of the most open in the world and we are prepared in the multilateral trade negotiations to agree to further liberalization. Moreover our general preference scheme provides special tariffs on a wide range of your goods.

We hope that, on your side, you will take our interests into accounts in developing your economic policies. We hope that you will help us adapt to the new reality of co-operative ventures with Brazilian companies. We hope that you will encourage Canadian consulting firms to contribute their experience and their technology to the development of your vast frontier.

We intend to pursue these economic themes further in our discussions with your business leaders in Sao Paulo and Rio. Here in Brasilia we are looking forward to discussions with you on the ways in which we can develop the whole range of our bilateral relations, both political and economic.

If we bear in mind our mutual interests and if we become fully aware of each other's capacities, we can do great things together, for, in our similarities and our differences, we balance each other admirably. The principal purpose of this visit is to tell you that we are willing to make the effort.

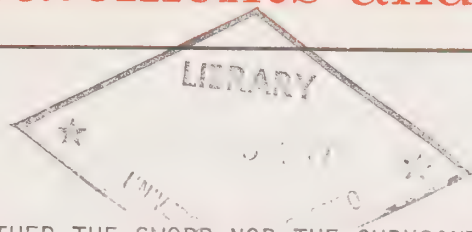


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Statements and Speeches

No. 77/2



JAPAN - NEITHER THE SWORD NOR THE CHRYSANTHEMUM

Address by MR. Bruce Rankin, Ambassador of Canada to Japan, to the Empire Club of Toronto, March 10, 1977.

Having seen the list of your other speakers during your current program, it was with some nervousness that I set about selecting a theme for my remarks today. Many topics, relevant, substantive and worthy of treatment, came to mind and, indeed, I listed a great number of them but decided that each in turn provided a topic in itself. I also had to remind myself that I was not in the process of giving a six-weeks' seminar on Japan but having one opportunity of speaking to a very prestigious and distinguished audience in Toronto.

It seemed logical, of course, that I might well have spoken about our trading relationship with Japan, but then I realized that my audience would already know that Japan is our second-biggest trading partner, that our total trade is over \$4 billion, and that it renders a favourable balance for Canada in excess of \$1 billion, equal to the overall favourable merchandise balance in our global exchange of goods in 1976.

I also thought that, in this context, I might well speak to you about the market itself, and yet I recognized, of course, that this audience would know that Japan is virtually totally dependent on its imports of energy and natural resources and that the skills and hard work of its people in turn produce and market around the world the results in the form of highly-manufactured goods. Indeed, you will already be aware of the considerable outcry in recent months by the Common Market, from the United States and from Australia, at the trading relationship with Japan and that Canada stands alone as a major trading partner that is not crying foul in our interchange of goods.

This is not to say, of course, that we are not actively engaged in improving our economic relationship with Japan. We have been working on this intensively for the past three years. Indeed, you will know that the Prime Minister visited Tokyo last October and signed the Framework for Economic Co-operation, which embodies the principles of a new relationship with Japan in the sense that we are looking for a better "mix" in our exports -- the upgrading of our raw materials and easier access to the Japanese market for our manufactured goods. The Framework also gives promise of a new era

in terms of joint enterprises, of investment opportunities and of an exchange of science and technology.

But then it occurred to me that this audience would already be aware of these developments and would know, for example, that Japan represents for Canada our largest single market for agricultural produce in the world. You would already be aware that Japan represents a domestic market of some 110 million well-educated and well-paid people. Indeed, you may have known that their high standard of living results primarily from their own domestic market and not from their role as an exporting nation. Some 13 per cent of Japan's gross national product results from its exporting position -- almost half of that of Canada.

I thought I could well speak to you today on how to do business in Japan and I started to make some notes. Obviously, I started off with a description of the consensus process of arriving at decisions in the Japanese community. A slow and painstaking process, it starts at the lower scale of management of the middle-management level and gradually works its way up to top management, with each participant's "chop mark" carefully placed on the appropriate piece of paper. Until consensus is reached within the Japanese community itself or within an individual company or, indeed, within government, negotiations cannot proceed very far. A process, when not well understood by Westerners, can be frustrating as well as time-consuming, a subject for a speech all on its own.

I thought it appropriate at one point to prepare my remarks on the complicated distribution system of Japan. The methods of marketing are so complex as to baffle the best minds. Indeed, on one occasion, when I said to the chairman of one of Japan's largest trading companies with offices in Canada "Why don't you 'source' in Canada and arrange to market Canadian products in Japan and thereby overcome the complications to Canadians of the distribution system", he replied "I don't understand the distribution system myself". Suffice it to say on this occasion that, depending on the product, it is not unusual to find two, three, four or five levels of wholesalers before goods reach the retailer.

Then, any speech that I might have prepared on how to do business in Japan would, of course, have to refer to administrative guidance, that remarkable and unique system -- unique indeed to Japan -- where all levels of society, government and business, can quietly close ranks and decide what shall be done or what shall not be done -- including, I might add, the import of goods from abroad. There is nothing in writing. The system is mysterious but most effective. It is, indeed, Japan incorporated. It is to be recognized that what

is deemed to be the national interest prevails over all else and that individuals and individual companies and individual industries will subordinate their own interests if it is determined by the consensus system I referred to earlier that it is in the national interest. At this stage of Canadian development, we have something to learn from this attitude. Before you make your first visit to Japan, it is important to know that "yes" means "I understand", not necessarily "I agree".

Another subject that I also thought might be of interest would be the remarkable industrial emergence of Japan from the ashes of a devastating war. It is already well-known to you that the Japan of today is indeed a "miracle". While there is recognition now that Japan is moving into a new era and that slower growth-rates will be the thing of the present and the future, and while I would be the first to recognize the greatly-improved attitude and atmosphere *vis-à-vis* the trading relationship with Canada, some of the old approach still automatically emerges. Not too long ago, at a meeting with two very senior Japanese Government officials, when we were reviewing the economic framework and various aspects of it then in the mill, I mentioned, towards the end of our conversation, that I had been very pleased to learn only that morning that a small Canadian speciality-manufacturer had managed to take an order for \$80,000 of outer shirts during his visit to Japan. One of the officials from the Japanese Government, without a moment's hesitation, said: "Why aren't they made here?" My, just as quick and immediate, response was: "Damn it, you don't have to make everything!"

I gave considerable thought to speaking to you today about some of the developments over the year that I have just completed, my first year in Japan. I thought I might well dwell on our nuclear-energy prospects. Japan, as you know, imports already one-half of its uranium requirements from Canada and we are now actively negotiating safeguard agreements that will permit the continuation of that valuable trade. The prospects of selling CANDU to Japan are good. The long period of consensus and the investigations on which such a consensus can be based determining CANDU's suitability to Japan, *vis-à-vis* earthquakes and other safeguard requirements, have been under way for the last 18 months, or two years. We anticipate a favourable result within the next year or so.

At one point, it seemed appropriate to take this opportunity to talk about Japan's financial situation: a savings-rate of over 20 per cents, which, in turn, has helped fuel industry; debt-equity ratios of 90:10; foreign-exchange reserves of \$16 billion; the last budget and its mild stimulus through a modest tax-cut and some expansion in public-works spending.

The Japanese political situation would be, of course, a subject all on its own. Suffice it to say many political observers see the drop in support for the ruling conservative LDP Party at last December's Lower House elections being reflected in a possible overall loss of a majority at the upcoming Upper House elections this July. Nevertheless, the swing away from the LDP has been in support of other relatively conservative opposition parties.

As management-labour confrontation and our strike record in recent years looms large, it seems to me, as one of our major problems, the Japanese experience might well be looked at in some detail. The life-time employment principle, the company-union structure, the five-and-a-half-day, long-hours, working week.

The Makita Mission -- a dozen or so top Japanese industrialists -- visited Canada last fall. On their return, I met with them. While they still look to Canada as a reliable supplier (I took the opportunity to stress a reliable supplier needs a reliable buyer), they nevertheless expressed concern at our strike record, FIRA, federal-provincial relations -- particularly taxes and royalties, etc., transport -- and, of course, the Quebec election results. The Japanese business group would like to see the formation of a Canadian organization of business leaders with whom they could work and consult on a regular basis. A lot of other countries, including the U.S.A. and Australia, have used this type of association most effectively with the Japanese. I hope that the Canadian business community would respond positively to this proposal.

Then, I decided "enough of trading and economic topics," and that I might well stress our new efforts in Japan in broadening and deepening our relationship. The process has been under way for about three years, highlighted by the signature of a cultural agreement with Japan during the Prime Minister's visit last October. The Government has "set in place" in Japan a very active public-affairs program. The provision of information about Canada that is being made available to the Japanese media is growing by leaps and bounds. Our tourism is also growing very rapidly; indeed, last year we recorded some 109,000 Japanese as visitors to Canada. They are good tourists. Not only do they utilize our hotels, restaurants and transportation system but they are buyers, great shoppers, spending approximately \$80 million in Canada in 1976.

In the same context, we have now under way a considerable exchange in the academic area. We have established Canadian Studies programs in several of Japan's leading universities. We have a number of Japanese scholars in Canadian institutions of higher learning. We have already a considerable cultural exchange, from Canadian

symphony orchestras to "peewee" hockey teams from North York, visiting Japan.

There are so many aspects of our relationship with Japan or about Japan itself to make a topic or topics for speeches to Canadian audiences. To the appropriate audience, the educational system in Japan is one of immense fascination. Entry to the appropriate university, where entry itself is a stamp of future success, is the eye of the needle that is looked at by each parent when the child is born, and requires all the skill of every mother to make sure the child first enters the right kindergarten, a stepping-stone to the right elementary school, and in turn to junior high school, and then the all-important high school from which the university-entrance exam will be written. The trauma and pressure this system bring to bear is beyond comprehension.

So much for the topics that I decided not to choose today.

Let me briefly refer to another dimension. That is the partnership we enjoy -- we, Canada and Japan -- in an interdependent world. In this troubled world, Canada and Japan are bound both to the rest of the industrialized world and to each other. First, we are both industrialized countries. Second, we both depend, to a large extent, for our own prosperity on the expansion of world trade, the peace and stability this requires. Third, our economies are in many ways complementary, which makes us natural trading partners for many things. Fourth, we have voices that, when raised internationally, are listened to, although Canada's voice has been heard more loudly and more often for its size and importance than has that of Japan in the postwar era. Fifth, we have both eschewed nuclear weapons as an option for our national security. And sixth -- well, I could go on some distance further, but you get the point. These similarities presumably should lead our two countries to be natural partners bound by respective self-interests and united in seeking to achieve the the finest objectives of the international community. Right? Wrong!

Certainly, we are partners. Certainly, we are important to each other. Just as certainly, that relationship has been expanding and strengthening, particularly in the last few years, but that is not to say that it is either an easy relationship or, indeed, a natural one. For all the elements that bring us together, there are many that have to be overcome that would otherwise keep us apart -- the mainstream of our histories, the geographical distances will always separate us, very distinct cultural differences and a very different conception of nation and self. To remove these obstacles to understanding and co-operation is difficult, requiring patience and much hard work; keeping those obstacles out of the way once they have been removed

requires just as much patience, and probably even harder work.

In my earlier remarks, I have alluded to a number of differences. There are other, more general, contrasts that serve to point up the anomaly that is Japan -- the Westernized, urbanized veneer and strength of a homogeneous history and culture. Where else in the world does the man at the train-station wicket arrange every detail of your trip down to the actual seat-number across the country by computer and then verify the cost on his abacus? Where else but in the land of the walkie-talkie and the transistor radio do you find firemen patrolling neighbourhoods communicating an "All's well" to other members of the patrol by clapping together hardwood sticks?

I am quite certain that I shall never have more than a modicum of understanding of the land of great contrasts that is our second-largest single trading partner and a nation that can, and must, play a broad and important role on the world stage. I firmly believe, however, that the frustrations and difficulties of the relationship are overwhelmingly outweighed by the rewards that continuing broadening and deepening will bring.

You may well be saying to yourselves: "What is all this about anyway? OK, we are trading partners and likely to continue to be so, with a preponderance of Canadian raw materials going to Japan and Japanese manufactured goods coming to us. What more is there likely to be beyond that? They are big and we are not so big. They are far away and in a different environment, while our faces turn south to the United States or, at furthest, to Europe." These feelings are natural, but they do not take an analysis of the relationship far enough.

Most importantly, in a world of close interrelationships among the industrialized countries, we do have things to give each other and about which we can support each other, despite the disparity of our economies and our populations. For its part, Canada has played an active and constructive role on the international stage since the end of the Second World War. For a part of that time, our influence on world events was undoubtedly disproportionate to our intrinsic importance in the global scheme of things. From these years, we have brought away an expertise, and our appreciation of the international dimension of our existence, that I think we all, as Canadians, can be proud of. The same is not true of Japan. Since 1945, Japan and the Japanese have centred their considerable energies and intelligence on remaking their country. That they have succeeded so well is clear to any visitor to the modern and prosperous Japan of the mid-1970s. On the other hand, Japan's forays into international life since the war have been hesitant

and relatively infrequent, unless the issue was economically-related or of direct interest to the security of the Japanese homeland. We can learn from each other. From us, the Japanese can learn from the Canadian experience that the wider objectives of international peace and security must be pursued relentlessly, despite frustrations and setbacks. From the Japanese we might do well to gain a deeper appreciation of the sense of national purpose and devotion to their homeland that is so often so very evident - and here so often so very lacking.

No set of remarks such as this would be complete without a reference to the "Third Option". Canadian dealing with Japanese affairs think of Japan as the other pillar, along with Europe, of the Third Option policy. The priority and effort that have gone into the development of our relationships with Japan and the speed at which the relationship has flowered, having found a receptive and willing audience, are an attestation to the fruitfulness and the correctness of the direction we have chosen to take. But I, for one, do not in any way think that this searching out to diversify relationships is by any means a one-sided thing. Without wishing to overstate the point, it is nevertheless true that a strengthened and active relationship with Canada can provide a "Third Option" for Japan, and one I believe Japan will find more and more desirable as the century continues to unfold. Indeed, Japan as an Asian nation and a member of the Western industrialized community has a foot in both camps, but is not sure it belongs to either.

Anyone out there who is from Missouri is probably at this point querying the validity of my last statement. The query is valid but, I think, so is the statement. Japan and Canada, besides their own relationships, both share a unique relationship with one third party -- the United States. I need not dwell on the strength and importance of that relationship of the United States with Japan. In fact, since the war, one could pick up many similarities between the Canadian and Japanese relationships with the U.S.A. So many of the blue-prints for Japan's recovery are clearly stamped "made in U.S.A." So, in slightly different terms of risk capital, is the situation in Canada. Our co-operative arrangements for security, not only in Europe but in North America itself; through NATO and NORAD, the Japanese duplicate with their security treaty with the U.S.A. Prime Minister Fukuda has recently reaffirmed the primacy of the importance of Japan's relations with the U.S., but it remains evident for all to see. In these circumstances, a diversification of relationships is probably not only desirable but necessary. Sharing in common a democratic government and similar ideals with respect to peace and security in the world, Japan and Canada can offer each other much in expanded consultative arrangements that

will go beyond the solid and important foundations of commerce and economics to the delicate and more volatile issues of peace and security. Of necessity, Japan's role on the international stage will grow until it matches the country's economic importance. It is the responsibility of like-minded countries like Canada to share its experience on the stage in encouraging such growth.

This way is not easy, for it requires the breaking-down of reticence and, often, deep misunderstandings on both sides. Nevertheless, I firmly believe that it is worth while pursuing. I am convinced that Canada has only begun to strengthen its economic relationship with Japan and that opportunities of immense potential exist today in the areas of trade, investment, joint ventures and technological exchanges. However, as Prime Minister Trudeau pointed out while in Tokyo last year, it will be up to the private sector to a large extent to follow this path. The Framework for Economic Co-operation is an invitation to those of you gathered here today, and to your Japanese counterparts, to seize the manifold opportunities for advantage our two governments have identified. The Canadian Government, through its offices in Ottawa and its Embassy in Japan, is prepared to assist you in seeking these new opportunities. I believe imaginative persistence on your behalf can foster generous rewards in the future.



Statements and Speeches

No. 77/3

CANADA REAFFIRMS ITS ABHORRENCE OF APARTHEID

A Statement to the Security Council of the United Nations, New York, March 30, 1977, by Mr. William H. Barton, Permanent Representative of Canada to the United Nations

We are meeting in response to the request of the African Group that the Security Council consider the question of South Africa, in the context of the General Assembly's Resolution 31/6 of November 9, 1976, on the subject of *apartheid*, and the Security Council's Resolution 392 (1976) of June 19, 1976, concerning the violence at Soweto.

To say that this is not the first or second time the Security Council has taken up a subject related to the policies of South Africa is a considerable understatement. Over the past 17 years, the Security Council has repeatedly had to turn its attention to the policies of the Government of South Africa. It has examined the African policies of *apartheid* and so-called separate development in the light of Sharpeville and Soweto. It has been obliged to comment on the continuing occupation by that Government of Namibia, an international territory, and on its attacks on neighbouring African states in defence of that occupation. The Security Council has similarly deplored South Africa's refusal to live up to its international obligations under the UN Charter to respect the mandatory sanctions of the UN against the illegal regime of Southern Rhodesia.

All of these questions are still before us, but the core of the complex of problems involved in the question of South Africa is the policy of *apartheid* of the Government of South Africa, and it is on this issue that I intend primarily to focus my remarks today.

The Charter of the United Nations established as one of our fundamental purposes the achievement of international co-operation in solving international problems of an economic, social, cultural or humanitarian character and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, religion or language. Today, more than 30 years after those words of hope were written into the Charter, the task of developing international respect for basic human rights remains before us, largely unresolved.

But in one area of human rights we can point to real progress -- the colonial era is virtually ended. The change of regime in Portugal in 1974 foreshadowed the end of that period of African history wherein the fate and future of African peoples were decided by the foreign minorities. In Southern Africa there remain now to be resolved only the colonial situations of Namibia and Rhodesia. These are on their way to solution, whether by the peaceful means which the UN Charter urges us collectively to pursue or, I fear, by violence if we fail in our efforts.

But what about the situation in South Africa itself? One perceives there policies and attitudes that resemble in all the most negative aspects those of the colonial era in Africa. And yet this is not a colonial situation; this is a situation in which people of different origins have been sharing for some 300 years a large and prosperous land but have not been sharing the privileges and obligations of common citizenship in an equitable manner.

The Canadian Government has spoken out time and again about its abhorrence of the *apartheid* policies of South Africa and of the pattern of institutionalized racial discrimination that is established under them. The *apartheid* system is cruel and demeaning in that it infringes upon the daily life and possibilities of the great majority of the citizens of that country. They are not permitted to participate fully in the economic, social, political and cultural life of their country on equal terms with all other citizens. Their lives are circumscribed by a web of legislation that prescribes which jobs they may hold, on which level, and at what salary, what kind of education is available to them and to their children, where they may live, whether they must live separated from their families, with whom they may meet, and in what circumstances. The cruelty of the system lies not only in the daily persecutions and repressions of African and other non-white peoples but also in the fact that men and women can hope to live a peaceable life only by accepting the inferior and unequal role assigned by that society, and accept it as the lot in perpetuity for their children and grandchildren for generations to come.

A direct and unacceptable development of *apartheid* is the policy of "Bantustanization". The Canadian Government, along with all other member states of this organization, has rejected the so-called independence of the Transkei, the first offspring of the "Bantustan" system. We have done so because it purports to present as self-determination a system that allocates to 80 per cent of the population of South Africa rights in only 13 per cent of that territory. Frequently the territory allocated to the blacks is poor and incapable of being developed. Furthermore, the Bantustans are divided up into

as many as ten unviable tiny parcels of land with no contiguous areas and separated by land reserved for use by whites. The Bantustan policy also discriminates cruelly against the millions of urban Africans who have not seen or who have not been directly attached to any homeland, and whose present and future attachment lies with the industrialized city in which they work and to the townships from which they commute long distances each day of their working lives. This is no solution for the future needs of all South Africans. These artificial economic divisions, furthermore, make no sense in a sophisticated national and international economy that demands increasing regional economic integration rather than the contrary.

The violence that took place at Sharpeville years ago and last year at Soweto (the latter resulting in at least 400 deaths) was not the result of outside instigations, as has been alleged by South Africa; rather, it reflects the profound discontent and frustration of the majority and their determination to obtain the justice they have been so long denied. They look to the north and see that all their African neighbours have obtained the right to rule themselves. That does not mean to say that these countries have achieved perfect societies - no country can claim that distinction. The challenges of development in Africa are great, and the problems severe. But each country in its own way is seeking ways of bringing the fruits of development to all of its citizens. The disadvantaged citizens of South Africa demand nothing more than the same basic human rights, and they will not rest until they have achieved their goal.

The events at and following Soweto constituted a terrible human tragedy. But the greatest tragedy of all has been the South African Government's reaction to these events. Thousands of people were detained without charge or were arrested for no other reason than their status as social, religious or political leaders. Scores of them have been brought to trial under the repressive body of *apartheid* legislation. As many as 18 are said to have died during interrogations and captivity, and there are indications that large numbers of others have been tortured or subjected to undue coercion.

We recall that, in October 1974, the representative of South Africa said here, in this body, that it was the intention of his Government to do away with discrimination on a racial basis. We have waited in vain for meaningful action. Some minor changes have taken place, and they must be welcomed, but only to the extent that they presage a change of mentality within the South African Government. It has remained evident, however, that in reality, no effort is being made to begin dismantling *apartheid* or removing from it even its harshest and most repressive aspects. On the contrary, the Government has continued to add to the body of repressive legislation that

supports the system. Recently it indicated the intention to severely restrict the freedom of the press. That action, if pursued, would constitute a severe blow to the very limited body of freedoms existing in South Africa and to one valued by all South Africans. We have noted that consideration of the pertinent legislation has been deferred for a year in the expectation that the press will discipline itself. These moves towards control of the press seem to us ominous, as they will jeopardize the possibilities that a free press offers to the South African population for analyzing its situation and seeking solutions to its pressing problems.

It is important to recognize that the key element in the evolution of South African policies in the direction we all want to see is the attitude of the South Africans themselves - and by that I mean the totality of the population. I have no doubt that, over time, the pressures induced by the events in Soweto and Sharpeville, the solidarity demonstrated by white university students for their black and coloured comrades, and the increasing level of active resistance to social and economic abuse will be the decisive element in changing the present policies of the Government.

This, of course, does not relieve us of the responsibility to do everything within our power that we collectively deem appropriate to support the efforts of the people of South Africa to achieve self-determination and to promote the objectives that we have identified and, one hopes, will agree upon in the course of this debate.

Canada, for its part, in 1973 voluntarily placed an embargo on the sale of military equipment to South Africa and in 1970 extended this embargo to the export of spare parts for such equipment in accordance with relevant Security Council resolutions. Canada is, furthermore, a major contributor to the United Nations and other multilateral non-governmental funds that have been established to provide education, training and humanitarian and development assistance to the African peoples of Southern Africa. We discourage sporting contacts with South Africa by refusing any moral or financial assistance to Canadian individuals and teams that decide to compete in South Africa and to any sporting event held in Canada in which South African teams participate. We support international actions on this subject because sport in South Africa, by law, has been and is still organized on a racial basis, contrary to the Olympic principle.

We also engage in major programs of co-operation with the independent countries of Southern Africa in order to contribute to the development of these countries and to assist in their task of

building societies with social and economic justice for all their citizens. These will stand as proof that there is no foundation for the racist arguments of minority regimes that stability, justice and civilization will be undermined should the majority African peoples of their countries be permitted a full and equal voice in the government of those countries.

An essential element of Canadian foreign policy is that we trade in peaceful goods with all countries, even those with whose politics we are in profound disagreement, subject to our obligations under Chapter VII of the UN Charter. Canada will, of course, continue faithfully to implement all mandatory decisions of the Security Council in accordance with the obligations under the UN Charter. The Council will be influenced in its decisions by the nature of future developments, as they effect not only South Africa itself but also Zimbabwe and Namibia, and in that respect the Canadian Secretary of State for External Affairs said recently: "It is my judgment that, if there is not some movement, clear and visible in the foreseeable future, then we run the real risk in Southern Africa or seeing a very bloody conflict erupt...".

The Canadian Government believes it is essential at this stage to take fullest advantage, and to make constructive use, of any influence that can be brought to bear on the Government of South Africa by those countries that maintain relations with it. In this group of countries, let us be frank, the United States is pre-eminent and we are impressed by the resolve expressed by the new Administration to use its best efforts to achieve our common purpose. In our view, the Council as a whole should do everything possible to take advantage of it. Of course, we cannot be sure of the outcome, but that, in itself, cannot help but influence the future policies of governments whose position on these issues will be decisive.

We believe that the Security Council at this moment has the possibility to take a significant and constructive step. We hope that it will have the courage and wisdom to do just that. It is for this reason we consider it important that the Security Council, for a period, depart from the kind of approach that has so far proved ineffective, and instead adopt a declaration of principles on Southern Africa that will serve as a statement of purpose for all members of this Council in terms of our objectives in Southern Africa. The adoption by consensus of such a declaration will serve a dual purpose. It will, on the one hand, serve as an unequivocal declaration to the Government of South Africa of our intentions. On the other, it will serve as a clear description for the citizens of our countries of the policies of Security Council members towards these unresolved problems and thereby as a vehicle to mobilize public opinion towards our objectives. In other words, in pursuing this

course of action, we shall be enlisting the active support of all members of the Council in working towards a resolution of the problems of the area.



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CANADA REAFFIRMS ITS ABHORRENCE OF APARTHEID

Corrigendum:

Page 4, Paragraph 3, Line 1: For 1973 read 1963.



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Statements and Speeches

No. 77/4

CANADA-U.S. RELATIONS -- A MODEL ADMIRER BY MUCH OF THE WORLD

Remarks by Prime Minister Pierre Elliot Trudeau to a Joint Session of the United States Congress, Washington, D.C., February 22, 1977

Mr. Speaker, Mr. President, Members of the Congress:

For much more than a century, individual Canadians, in countless ways and on countless occasions, have expressed to Americans their friendship. Today, as Prime Minister, I am given the opportunity to express those feelings collectively before the elected representatives of the American people.

I do so with pride, and with conviction.

I speak to you as a fellow Parliamentarian, honoured, as are all Canadians, by your invitation to appear in this historic chamber. Here, on the spot where so many of your distinguished leaders have stood, I express to you the most cordial of greetings. The warmth of your welcome reinforces what I have always known -- that a Canadian in the United States is among friends.

The friendship between our two countries is so basic, so non-negotiable, that it has long since been regarded by others as the standard for enlightened international relations. No Canadian leader would be permitted by his electorate consciously to weaken it. Indeed, no Canadian leader would wish to, and certainly not this one.

Simply stated, our histories record that for more than a century millions upon millions of Canadians and Americans have known one another, liked one another, and trusted one another.

Canadians are not capable of living in isolation from you any more than we are desirous of doing so. We have benefited from your stimulus; we have profited from your vitality.

Throughout your history, you have been inspired by a remarkably large number of gifted leaders who have displayed stunning foresight, oftentimes in the face of then popular sentiments. In this city that bears his name, on the anniversary of his birthday, George Washington's words bear repeating. In a message familiar to all of you in this chamber, he said: "It is of infinite moment that you should properly estimate the immense value of your national union to your collective and individual happiness."

At a moment in the history of mankind when men and women cannot escape from the knowledge that the only hope for humanity is the willingness of peoples of differing complexions and cultures and beliefs to live peaceably together, you have not forsaken Washington's high standards. You have chosen to declare your belief in the protection of minorities, in the richness of diversity, in the necessity of accommodation. You have contributed new fibre to that seamless fabric we call the history of mankind -- that stumbling, incoherent quest by individuals and by nations for freedom and dignity.

Liberty and the pursuit of happiness have not been theoretical concepts for Americans, nor have they been regarded as elusive goals. You have sought each with vigour, and shared with all mankind the joy and the creativity that are the products of freedom. You have illustrated throughout your history the resiliency, the dedication and the inherent decency of American society.

The United States achievement in recent years of conducting a great social revolution -- overcoming difficulties of immense complication and obdurateness, and doing so through the democratic process -- is surely a model for all nations devoted to the dignity of the human condition. Freedom-loving men and women everywhere are the beneficiaries of your example. Not the least among them are Canadians, for whom the United States has long been the single most important external influence -- the weather only excepted.

We in Canada, facing internal tensions with roots extending back to the seventeenth century, have much to gain from the wisdom and discipline and patience that you, in this country, in this generation, have brought to bear to reduce racial tensions, to broaden legal rights, to provide opportunity to all.

Canadians long ago determined to govern themselves by a parliamentary system that favours the flowering of basic aspirations -- for freedom, for justice, for individual dignity. The rule of law, sovereignty of Parliament, a broad sharing of power with the provinces, and official support of the pluralistic nature of Canadian society have combined to create in Canada a community where freedom thrives to an extent not exceeded anywhere else, a community where equality of opportunity between people and between regions is a constant goal.

The success of our efforts in the first century following Confederation was promising, but by no means complete. We created a society of individual liberty and of respect for human rights. We produced an economic standard of living that approaches your own. We have not, however, created the conditions in which French-speaking

Canadians have felt they were fully equal or could fully develop the richness of the culture they had inherited. And therein is the source of our central problem today. That is why a minority of the people of Quebec feel they should leave Canada and strike out in a country of their own. The newly-elected government of that province asserts a policy that reflects that minority view, despite the fact that during the election campaign it sought a mandate for good government and not a mandate for separation from Canada.

The accommodation of two vigorous language groups has been, in varying fashion, the policy of every Canadian Government since Confederation. The reason is clear. Within Quebec, over 80 per cent of the population speak French as their first or only language. In Canada as a whole, nearly one-fifth of the people speak no language but French. Thus from generation to generation there has been handed down the belief that a country could be built in freedom and equality with two languages and with a multitude of cultures.

I am confident it can be done. I say to you with all the certainty I can command that Canada's unity will not be fractured. Accommodations will be made; revisions will take place. We shall succeed.

There will have to be changes in some of our attitudes; there will have to be a greater comprehension of one another across the barrier of language difference. Both English-speaking and French-speaking Canadians will have to become more aware of the richness that diversity brings and less irritated by the problems it presents. We may have to revise some aspects of our constitution so that the Canadian federation can be seen by six and a half million French-speaking Canadians to be the strongest bulwark against submersion by 220 million English-speaking North Americans.

These very figures illustrate dramatically the sense of insecurity of French Canada. But separation would not alter the arithmetic; it would merely increase the exposure.

Nor would the separation of Quebec contribute in any fashion to the confidence of the many cultural minorities of diverse origin who dwell throughout Canada. These communities have been encouraged for decades to retain their own identities and to preserve their own cultures. They have done so and flourished, nowhere more spectacularly than in the Prairie Provinces of Alberta, Saskatchewan and Manitoba. The sudden departure of Quebec would signify the tragic failure of our pluralist dream, the fracturing of our "cultural mosaic", and would probably remove much of the determination of Canadians to protect their cultural minorities.

Problems of this magnitude cannot be wished away. They can be solved, however, by the institutions we have created for our own governance. Those institutions belong to all Canadians, to me as a Quebecer as much as to my fellow citizens from the other provinces. And, because these institutions are democratically structured, because their members are freely elected, they are capable of reflecting changes and of responding to the popular will.

I am confident that we in Canada are well along in the course of devising a society as free of prejudice and fear, as full of understanding and generosity, as respectful of individuality and beauty, as receptive to change and innovation, as exists anywhere. Our nation is the encounter of two of the most important cultures of Western civilization, to which countless other strains are being added.

Most Canadians understand that the rupture of their country would be an aberrant departure from the norms they themselves have set, a crime against humanism; for I am immodest enough to suggest that a failure of this always-varied, often-illustrious Canadian social experiment would create shock waves of disbelief among those all over the world who are committed to the proposition that among man's noblest endeavours are those communities in which persons of diverse origins live, love, work and find mutual benefit.

Canadians are conscious of the effort required of them to maintain in healthy working order not only their own nation but as well the North American neighbourhood in which they flourish. A wholesome relationship with our mutual friend Mexico and a robust partnership with the United States are both, in our eyes, highly desirable. To those we have contributed much energy. And you in this country have reciprocated to the point where our relationship forms a model admired by much of the world -- one moulded from the elements of mutual respect and supported by the vigour of disciplined co-operation.

We have built together one of the world's largest and most efficient transportation and power-generating systems in the form of the St. Lawrence Seaway. We have conceived and established the world's oldest, continuously-functioning, binational arbitral tribunal -- the International Joint Commission. We have joined together in many parts of the world in defence of freedom and in the relief of want. We have created oftentimes original techniques of environmental management, of emergency and disaster assistance, of air and sea traffic-control, of movements of people, goods and services -- the latter so successfully that the value of our trade and the volume of visitors back and forth exceeds several times over that of any

other two countries in the world. It is no wonder that we are each so interested in the continued social stability and economic prosperity of the other.

Nor should we be surprised that the desire of the American and Canadian peoples to understand and help one another sometimes adopts unusual forms. In what other two countries in the world could there be reproduced the scene of tens of thousands of people in a Montreal baseball park identifying totally with one team against the other, forgetting all the while that every single player on each is American, and a similar scene in the Washington hockey arena where thousands of spectators identify totally with one team against another, forgetting that virtually every player on the ice is Canadian?

Thus do the images blur, and sometimes they lead to chafing. Yet how civilized are the responses! How temperate are the replies! We threaten to black-out your television commercials, You launch fusillades of anti-trust proceedings! Such admirable substitutes for hostility!

More important than the occasional incident of disagreement is the continuing process of management we have successfully incorporated into our relationship. It is a process that succeeds through careful attention, through consultation, and through awareness on both sides of the border that problems can arise that are attributable neither to intent nor neglect but to the disproportionate size of our two populations and the resulting imbalance of our economic strength.

Those differences will probably always lead us in Canada to attempt to ensure that there be maintained a climate for the expression of Canadian culture. We shall surely also be sensitive to the need for the domestic control of our economic environment. As well, in a country visited annually by extreme cold over its entire land-mass, a country so far-flung that transportation has always posed almost insuperable problems, the wise conservation of our energy resources assumes a compelling dimension. And for a people devoted throughout their history to accommodating themselves to the harshness, as well as the beauty, of their natural surroundings, we shall respond with vigour to any threat of pollution or despoliation, be it from an indigenous or from an external source.

Our continent, however, is not the world. Increasingly it is evident that the same sense of neighbourhood that has served so well our North American interests must be extended to all parts of the globe and to all members of the human race. Increasingly, the welfare and human dignity of others will be the measurement of our own condition.

I share with President Carter his belief that in this activity we shall achieve success.

Even as we have moved away from the Cold War era of political and military confrontation, however, there exists another danger -- one of rigidity in our response to the current challenges of poverty, hunger, environmental degradation and nuclear proliferation. Our ability to respond adequately to these issues will in some measure be determined by our willingness to recognize them as the new obstacles to peace. Sadly, however, our pursuit of peace in these respects has all too often been little more imaginative than was our sometimes blind grappling with absolutes in the international political sphere. Moreover, we have failed to mobilize adequately the full support of our electorates for the construction of a new world order.

The reasons are not hard to find. In these struggles there is no single tyrant, no simple ideological contest. We are engaged in a complex of issues of overwhelming proportions yet with few identifiable labels. Who, after all, feels stirred to oratorical heights at the mention of commodity-price stabilization or full-fuel-cycle nuclear safeguards or special drawing rights? Yet these are the kinds of issue that will determine the stability of tomorrow's world. They will require innovative solutions and co-operative endeavour, for these struggles are not against human beings -- they are struggles with and for human beings, in a common cause of global dimensions.

It is to the United States that the world looks for leadership in these vital activities. It has been in large measure your fervour and your direction that have inspired a quarter-century of far-flung accomplishment in political organization, industrial development and international trade. Without your dedicated participation, the many constructive activities now in one stage or another in the several fields of energy, economics, trade, disarmament and development will not flourish as they must.

My message today is not a solicitous plea for continued United States involvement. It is an enthusiastic pledge of spirited Canadian support in the pursuit of those causes in which we both believe. It is, as well, an encouragement to our mutual rededication at this important moment in our histories to a global ethic of confidence in our fellow men.

In that same address to which I referred some minutes ago, George Washington warned against "the insidious wiles of foreign influence" and the desirability of steering "clear of permanent alliances with

any portion of the foreign world". Yet here I stand, a foreigner, endeavouring -- whether insidiously or not you will have to judge -- to urge America ever more permanently into new alliances. That I dare do so is a measure not only of the bond that links Canadians to you but as well of the spirit of America. Thomas Paine's words of two centuries ago are as valid today as when he uttered them:

"My country is the world, and my religion is to do good."

In your continued quest of those ideals, ladies and gentlemen, I wish you Godspeed.

S/C



Statements and Speeches

No. 77/5

HUMAN RIGHTS ONE OF THE MOST COMPLEX FOREIGN POLICY ISSUES

An Address by the Secretary of State for External Affairs, the Honourable Don Jamieson, to a Seminar Sponsored by the Canadian Council of Churches and the Canadian Council of Catholic Bishops, Ottawa, March 16, 1977

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Canada has already established a reasonably good record in international human-rights-oriented activities over the years.

Unfortunately it seems that, in this struggle, while there have indeed been developments that are encouraging (no major wars for over 30 years, a measurable improvement in international awareness of the interdependence of the world community, a heartening increase in developmental-assistance flows from richer to poorer nations, an apparent increase in the enjoyment of personal liberties even within the restrictive regimes of Eastern Europe), nevertheless there still exist too many gross violations of human rights in many countries, violations that are naturally a cause of concern to Canadians and that all of us would like to be able to rectify or at least ameliorate in one fashion or another. How Canada should react to such situations, what considerations should guide us, what constraints affect us will be the theme of my talk this evening.

I should like to stress at the outset that there is a fundamental difference, which it seems is not always readily appreciated, between our domestic activities in the human-rights field and the action that Canada can take internationally. The difference between the domestic and international spheres of action is twofold: the first is the problem of *standards*; the second is the question of enforcement *machinery*.

We in countries of Western traditions too frequently assume that those standards of conduct and behaviour towards our fellow man are perceived as having equal validity by other governments. But the perspective of other countries is, in fact, often different, partly because they may not be Western or democratic in background, or partly because their economic situations are vastly different from ours. Western democracies traditionally accord priority to civil and political rights, while Third World countries often place their pressing economic needs ahead of human-rights issues. It may seem callous or insensitive to Canadians, but we are told regularly

in international bodies that a majority of under-developed states are more concerned with alleviating starvation and promoting their development and, in so doing, attaching a greater priority to the duties of citizens than to their rights.

Although Canada's approach to international human rights reflects our traditions, the ethics and moral codes of a Western Christian society, our approach is *only one of many*, and, I should add, *not* an approach that enjoys majority support internationally.

The Universal Declaration of Human Rights is *not* a binding legal instrument, and other covenants and conventions that may have enforcement provisions are binding only upon their signatories. Even when a state accedes to a convention or signs an agreement, it does not necessarily mean that it accepts its obligations immediately. Not all the parties who signed the Helsinki Final Act feel bounds to accept its provisions at once; rather, it is regarded as a long-term program towards which participants should strive. Moreover, even when states disregard their obligations, there is frequently little that can be done to urge compliance. The UN Commission on Human Rights has a fairly cumbersome procedure for dealing with gross and persistent violations of human rights, while other bodies, like the new Human Rights Committee, on which there is a Canadian, and the Committee on the Elimination of Racial Discrimination, consist of independent experts serving in their personal capacities; the Canadian Government, as such, can therefore take no official action in these bodies.

In the absence of consensus and of effective enforcement machinery at the international level, therefore, we have been forced to rely upon other methods, essentially political and diplomatic, in which to convey to other governments our concerns about human rights. Canada can use multilateral bodies, such as the Commission on Human Rights, to make known our attitude towards events in other countries; at such meetings, we can vote on resolutions varying in tone and substance from mild requests for information to denunciations and condemnations. Multilateral bodies may impose sanctions dealing with trade, aid, or trade in specific types of goods; such sanctions may be legally binding (as are Security Council sanctions) or voluntary (as are resolutions of the General Assembly). States may, of course, also impose sanctions unilaterally or jointly with other states, by curtailing aid, ending trade relations, or by going as far as suspending diplomatic relations. We can also make direct representations on a bilateral basis; such representations may range from expressions of concern, to requests for redress of specific grievances, to formal protests.

But there are no firm and fixed rules for raising and discussing what are essentially the domestic concerns of other states; some countries simply refuse categorically to permit any exchange of views. Canadians are justifiably indignant at flagrant abuses of the fundamental rights of the individual in Uganda, South Africa, and in many other countries in Eastern Europe, Latin America and elsewhere. Moral indignation alone, however, will not establish universal standards of human rights, or ensure the creation of machinery to enforce such rights.

My problem, as SSEA, goes one step further: it is to find, amid the differing interests, attitudes and traditions of other states, a way of expressing Canadian concerns, of alleviating conditions we find deplorable, and of solving the largely anonymous individual cases in which the Canadian interest is strong and persistent.

When we approach the issue of raising human-rights questions with other countries, we generally consider two criteria in arriving at a course of action: the first is what action will likely be effective; the second is whether an action would be *appropriate*. Whether our action, if taken, will be effective has to be subject to balanced and careful examination. When we have cordial relations with states, for example, low-key, private discussions are demonstrably more likely to resolve outstanding individual difficulties, and, in turn, create the atmosphere for the additional reconciliation of problems of concern to Canadians. When relations are poor, and progress on human-rights issues is negligible, it may be necessary to make our case public, even though public pressure can as often contribute to a hardening of attitudes as it may to a meeting of minds.

The difference between "public" and "private" diplomacy is not always appreciated by Canadians. Public support for dissidents in the Soviet Union may, for example, be of help to their cause, for it provides the very publicity that in turn prevents Soviet authorities from implementing more repressive measures. Just last month, for instance, it was decided to convey to the Government of the Soviet Union the disappointment and deep concern of the Canadian people at the arrest of certain prominent Soviet citizens who had been speaking out on the question of human rights. Similarly, I spoke in the House of Commons just the other day on the human-rights climate in Uganda. Our concerns in this area were made quite clear to the Government of Uganda, and at the recently-concluded session of the UN Commission on Human Rights. With respect to Uganda, let me say this. There is no question that the Ugandan Government is engaged in the systematic killing of those who are thought to be in opposition to it. Yet the international

community has taken no action. The Commission on Human rights was eventually willing to devote a great deal of its time in open session to expressing its "profound indignation" at events in Chile, but was not prepared to voice even the mildest public criticism of the situation in Uganda. The Canadian delegation introduced a resolution urging the Ugandan authorities to accept an impartial, international investigation. This was a reasonable position, consistent not only with previous Canadian action but also with accepted international practice, which requires respect for national sovereignty. But so great was the opposition to our resolution that we were forced to allow it to stand without vote rather than have it summarily rejected in secret session where, under the rules of the Commission, none of the proceedings can be reported.

I might add that many of the same countries that protected Uganda from any meaningful criticism in the Commission on Human Rights, and refused to associate themselves with a U.S. resolution on Soviet dissidents, are loud in defence of human rights elsewhere. A double standard in the human-rights field is an unhappy fact of international life. For its part, the Canadian Government will refuse to accept the conclusion of the Commission that it has discharged its responsibilities satisfactorily. We intend to continue to press, at the UN and other bodies, for meaningful and concrete action to bring the Government of Uganda, among others that have persistently violated the international standards of behaviour in human rights, to observe the obligations they have freely accepted.

But public discussion of particular family-reunion cases in Eastern Europe, on the other hand, could have severe repercussions, because the people concerned do not have the protection afforded by the international spotlight, and would have no recourse if Canadian efforts to secure reunion in Canada were blocked as result of public discussion. Here, we have opted for "private" diplomacy and I am happy to report that, in most countries of Eastern Europe, we have seen a marked increase in the number of reunited families.

Pressure to speak out is always great, and it comes mainly from people whose indignation is kindled by what must seem like our official silence and inactivity.

Regarding Chile, a country about which I have received a lot of mail recently, Canada has been particularly active with regard to the human-rights situation in that country and will continue to be so as long as evidence of violations persists. In addition

to speaking and voting on these issues in international forums, we have spoken directly to Chilean representatives. As a concrete indication of the concern of Canada for the human-rights violations taking place in Chile, we have authorized 5,360 Chilean refugees to find permanent homes here. Ninety-two former Chilean political prisoners and approximately 200 of their dependants have achieved similar status. Canada's record with regard to promoting the re-growth of human rights in Chile is second to no other nation's, and Chilean officials are well aware of this.

We have a responsibility, however, to exercise delicate judgment as to when to "go public" and when to continue with "quiet diplomacy". The phrase "quiet diplomacy" may seem to some a euphemism for a lack of responsiveness. This simply is not the case. In the proper circumstances, it can accomplish far more in the long run than public appeals that may satisfy an immediate pent-up frustration, but cut off prospects for a satisfactory resolution of conflicting views. An illustration of this type of approach is our attitude towards Indonesia. During a visit to Indonesia last year, my predecessor, Mr. MacEachen, took the opportunity of a meeting with Foreign Minister Malik to raise the problem of political prisoners and to express the concern with which a number of Canadians view this issue. Mr. MacEachen noted that some of the detainees had already been released by the Indonesian Government and expressed the hope that this trend would continue. We have been encouraged that this trend has, in fact, continued since that time.

Whether a given course of action will be effective depends as well on our ultimate goals. If we seek to rectify isolated abuses or aberrations in a state's normal performance in the human-rights field, the task is generally manageable; but if we seek to alter a firm policy or the fundamental basis of another state's society, the issue is not likely to be resolved, at least easily or quickly. South Africa, for example, has resolutely refused to yield on the *apartheid* question, which is not simply one of that state's peripheral customs but also an integral part of its social composition.

The appropriateness of Canadian action is related to our record, principles and traditions. We should not wish to condemn hastily, before the facts are in or before we can reach reasonably firm conclusions after an examination of the available evidence. Similarly, it would not be appropriate to expect other countries to do more than we are prepared to do at home. The Canadian record, both at home and in international bodies like the Commission on Human Rights, is excellent, and we have a right to be proud of the conditions we enjoy in this country.

At the same time, we are not perfect, and we must be vigorous in our efforts to secure the highest possible standards. As Christians, we must never lose sight of human rights at any time, and must always be willing to convey our concerns to others. The Canadian Government has a right and duty to act that we expect other states to respect, must as we respect their right to approach us on similar issues. At the same time, we have to be prudent. For our actions to be meaningful, they must reflect the genuine concerns of Canadians.

This, in turn, means that we cannot be involved to the same degree in every single human-rights problem, because there is a danger that a Canadian action would eventually be interpreted as simply yet another empty moral gesture, which other countries could then dismiss. Seriousness is an obvious consideration. While we cannot ignore any discernible pattern of violations of human rights anywhere in the world, our case will be stronger where the offence is greater and if the weight of Canadian and of world opinion is behind our representation.

Thus the determination whether Canadian action is appropriate depends upon a careful assessment of a number of factors respecting Canada and the other countries concerned.

While stressing our moral considerations, we must also be realistic and recognize the difficulties in drawing a line between human rights and other areas of activity. The suspension of aid is frequently suggested as a response to human-rights violations, and it may seem on the surface to be an understandable way for a donor country to react. You will agree with me that we cannot question the need to provide food aid to some impoverished countries. But, in the area of economic aid, let me emphasize the real dilemma we face in attempting to determine what part of, for instance, a project for a cement plant or an irrigation scheme benefits the people and what part ends up simply serving the aims of a government unresponsive on the question of human rights. This fine line, as I describe it, is hard to draw in practice, and I can only repeat that I have an open mind on this subject. I am prepared to consider possible courses of action available to us if I can be convinced that such action will prove effective.

At the same time, there is a real difficulty in acting on many economic issues: if we go beyond what is called for by international sanctions, where do we then draw the line as a matter of policy? If we take unilateral action, and it accomplishes nothing, what have we gained?

We accept international sanctions as the only really meaningful and potentially-effective measures against repressive regimes.

Although we receive numerous requests to take action in cases of varied gravity, importance to Canada and humanitarian concern, we must necessarily consider the possible consequences of our action on future cases, in the hope that we can continue to be effective in human-rights issues.

We have a responsibility, too, to consider the long-term implications of our representations, especially if they give rise to hopes which we cannot fulfil. If, through our actions, we encourage unwarranted expectations, so that the pressures generated by dissidents become intolerable to a given regime, what guarantees can we provide for their safety, or for the stability of their whole societies, in the event of massive upheavals in their states, such as occurred in Hungary in 1956 and Czechoslovakia in 1968? There are other implications that must be taken into account before determining a course of action.

We may have other humanitarian interests -- for example, our refugee program in Chile -- which we would wish to safeguard by remaining on at least proper if not cordial terms with the other country concerned.

I have spoken frankly this evening about the problems and the types of considerations that govern our attitude to human-rights issues.

As most of you consider human rights a matter of utmost priority, I hope, nevertheless, you will agree that the way in which we seek to deal with human-rights violations is delicate and difficult and is subject to numerous considerations. The question of human rights is one of the most complex issues in foreign policy because it strikes to the root of our traditions and therefore constitutes a potential challenge to other societies whose traditions may essentially be different. Despite the need for delicacy and balanced judgment, Canada will continue to uphold internationally the course of human rights, in the legitimate hope that we can eventually ameliorate the conditions of our fellow man.



Statements and Speeches

No. 77/6

COMMON CHALLENGES CONFRONTING CANADA AND THE UNITED STATES

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Southern Council on International and Public Affairs and the Council on Foreign Relations, Atlanta, Georgia, April 29, 1977.

* * * *

If you took the Southeastern United States and visualized it as a separate country, it would be the fourth-largest trading partner in the world for Canada. This is really quite a remarkable statistic and may add to your very justifiable pride and satisfaction at the level and the rate of your growth.

It is because of all of these things...that I am anxious and delighted to be speaking with you today and I want, in the short time available to me, to give you a broad overview of Canada-U.S. relations. However, before I do, I know that as friends of Canada you have an obvious and a legitimate interest in what has come to be called the "national-unity" issue in our country, and I welcome this opportunity to say a few words on that particular subject. As you know, on November 15 last year, a government was elected in the Province of Quebec committed to the separation of Quebec from the rest of Canada. This election has to be seen in the proper perspective to be understood. In the first place, it would be less than honest of me if I did not concede at the outset that, [in] any bilingual country such as ours, and in a country that, like yours, is a federation of provinces as opposed to states, there are invariably regional tensions and difficulties that for us are compounded by the so-called "French fact".

There was inevitably some fallow soil within the Province of Quebec, as there has been for many, many years, for separation, for a feeling, justifiable to a very great degree, that indeed French-speaking Canadians' aspirations and objectives were not being given the attention that they deserved. Having said that, however, I think it is important for our American friends to understand that the motivation behind the election of the Parti Quebecois in November was essentially economic as opposed to a widespread reflection of political dissatisfaction with our Confederation. I say that because Quebecers were basically voting for good government — or it might be more appropriate to say against bad government — and, of course, since that time repeated studies and analyses and surveys have all reflected one common and apparent fact, and that is that the great majority, not only of Quebecers, incidentally, but of all Canadians, are strongly committed to national unity and that indeed only something on the order of 14 or 15 per cent of the residents of the Province of Quebec would now opt directly for the separatist route.

The point that I am anxious to make to you is that there is, within our country, from coast to coast, a widespread commitment to the concept of national unity and

to the maintenance of a single nation, as, in fact, our motto over the House of Commons puts it in Ottawa — "The wholesome sea is at her gates, her gates both east and west".

We in Canada, like you in the United States but in a slightly different way, have demonstrated throughout our history a genius for compromise in the most appropriate sense of that word. Like you, we have an enormous amount of sheer geography to contend with. Like you, we have opted for the federal system, although in our case with a parliamentary democracy rather than the Congressional system. But apart from these slight distinctions, I do not believe that there are two countries anywhere in the world that have been by tradition and by heritage — and one could even say by instinct — more prepared to provide diversity for their citizens, to provide the maximum degree of openness and opportunity for the expression of the widest possible range of views and for the gratification of the widest range of individual desire.

And so I repeat that, while we in Canada have our difficulties, they are not significantly different from those of countries such as your own, where, for instance, you have demonstrated such remarkable courage, remarkable ingenuity, in dealing with the inevitable problems of minorities, in dealing with the inevitable alienations that can set in when one has such a spectrum of states or provinces, each of which tends on occasion to feel itself remote from the centre, to feel itself in some way deprived, as I know, for instance, this region did for a very long time, and as my own Maritime or Atlantic Provinces still feel in terms of the Canadian mosaic.

So I really wanted to say these few words as a background against which to talk about some aspects of Canada/United States relations. On that subject let me begin by saying that no two countries in the world are as close as Canada and the United States and, while the normal diplomatic techniques that have been developed over centuries have a great value and are essential in terms of preserving an ordinary relation between countries, and, indeed, in some instances avoiding certain tensions that can exist below the surface, the Canada/United States relation calls for considerably more than just the routine or standard diplomatic approach. We Canadians are increasingly anxious to ensure that we get to know far more than we do at present about you, and I say (in the kindest fashion, of course) that it is important that the United States gets to know more about us.

There is something of a dichotomy in the situation, where, though our relations are coming closer and closer together in economic terms and in political terms, nevertheless, the gap of knowledge — of hard, real knowledge about each other — has actually been widening over time. And there are many perfectly defensible reasons for that. But, in the years of challenge that lie ahead for us, where our destinies, in a great many respects, are inextricably linked, it is going to be of increasing importance to us to ensure that the flow of communication and of contacts is increased and improved. We have the mechanisms in place. We, for instance, have something like 15 or 16 consulates throughout the United States. We have one of our most distinguished public servants and our best-known diplomatic leader in the person of His Excellency, Mr. Jake Warren, whom I am happy to have with us today,

in charge of our Embassy in Washington and doing a first-class job of conveying to that level, as well as to the community at large, facts about Canada. But we must do a great deal more.

One of the things we have learnt, for example, looking at the United States from the Canadian perspective, is that we can have (as we frequently, and indeed one could say consistently, do) the best possible relations with the Administration in Washington. The two federal governments can have a total understanding of what it is that each is seeking to do in relation to the other. But in the United States there are other publics. There is, under your system, for example, the Congressional element of your governmental structure, and there it is important, from our point of view, to enhance and increase our contacts with your elected representatives so that they too will understand. Because there can be a chasm between a relation with the Administration and [a relation] with the Congressional leadership. In addition, of course, as this audience so vividly represents and reflects, there is a public in the United States made up of informed and concerned citizens of various independent bodies, of private groups, so that the challenge to us in Canada is, in the vernacular, to "cover all the bases", and I should hope also that there will be the same kind of interest in the United States so that this new thrust which we are undertaking in Canada will be reciprocated.

I may say to you that I am saying today for the first time, and before this audience (and I am delighted that I have this audience before whom to make the announcement), that so importantly do I regard Canada/United States relations that I have instructed our own Department of External Affairs to establish a bureau to deal exclusively with Canada-U.S. relations. Up to now we have had a hemisphere bureau with a United States Division in it, but with the bureau dealing also with the Caribbean and Latin America. Beginning now, we shall have exclusively Canada-U.S. Bureau. And this reflects my awareness, and that of the Government, of the increasing complexity of Canada-U.S. relations and the number of vitally-important decisions that we are going to have to make jointly, both of a bilateral nature and, as we become increasingly aware that we in this North American continent are going to have to act jointly, on many multilateral questions as well.

It is these bilateral and multilateral questions that I should just like to touch on very briefly in the remaining time that I have before answering your questions. Bilaterally, let me begin by telling you how pleased we were with the outcome of the discussions between President Carter and my Prime Minister, which I was privileged to attend in Washington, and how I believe that those talks set in place the basis for a new and a closer working relation. We have looked for many years on each side of the border for an appropriate mechanism for keeping in place the multitude of issues that arise between us. We have tried the structured form of communication and negotiation, but we have concluded, in the context of what I said a few moments ago with regard to the unique nature of Canada-U.S. relations, that a number of things are necessary and, most important, our capacity to discuss and talk frankly and frequently about the range of subjects that arises and to do so in a way that will ensure that they do not reach the stage of becoming major irritants.

I think, if one looks at the history of Canada-U.S. relations, it will become apparent very readily that the majority of those matters that have tended on occasion to divide us have arisen because there was a kind of "benign neglect", perhaps reflected in a mutual capacity for taking each other for granted, that allowed issues to bubble to the surface when they could have been dealt with very effectively and disposed of had there been the so-called "early-warning system" in effect. And so we are now, I believe it is fair to say, in the kind of climate between our two countries where we can deal with these specific issues in the fashion I have outlined. We also recognize that it is important that these bilateral issues be seen in their own context and not related one to another, so that, if we have a problem in a particular sector, we deal with it rather than allow difficulties related to that particular issue to spill over, and, indeed, to cause difficulty across the whole spectrum of our relations.

What are some of the things that illustrate this new approach? First of all, illustrating the closeness of our association and our ability to react to each promptly is perhaps the decision we were able to make a few months ago, during your most severe and unanticipated cold spell, to provide for additional exports of gas and energy supplies to your country, for no other reason than that that is the appropriate thing for a neighbour to do when his friend's furnace breaks down. Similarly, we have been most appreciative of the manner in which the United States has dealt with the Garrison Diversion project in North Dakota, which could have had a very serious polluting effect in terms of our Province of Manitoba. Here, once again, there was a willingness on the part of the United States to take Canadian concerns into account and to decide upon the pace of that development and the size of it in a manner that, we hope, will meet our requirements and will be to our mutual advantage.

These kinds of relation also help us to dispel some of the misunderstandings that occur in the United States with regard to Canada — for instance, a number of years ago when we introduced our Foreign Investment Review Act. There was clearly a misunderstanding in much of the United States as to what our intentions were and a misinterpretation...that perhaps we no longer welcomed American or foreign investment in Canada. I was advised at lunch that this body held a seminar on that particular subject and I am very appreciative of that fact because, of course, there is nothing (indeed, not a shred of truth) in the suggestion that we are discouraging foreign investment — quite the contrary. In a society that is expanding as rapidly as is Canada, the demands for capital are astronomical, and it is perfectly obvious that we must look outside our borders for a substantial portion of it. When we look outside our borders, clearly we look first of all to the United States.

Behind the Foreign Investment Review Act was a recognition, and an awareness that I am sure you in the Southeastern United States will understand — and that was a desire to have a greater degree of control over how our development was going to take place, and to ensure that our own people had a reasonable share of the benefits along with the investor. Basically, the Foreign Investment Review Act says simply that investment is welcome as long as it is of significant benefit to Canada. That I do not believe is an unreasonable position and, as the United States becomes more aware of what our motivation is, I am discovering that there is less and less mis-

understanding and more comprehension and sympathy with the point of view that we have adopted.

Another area of misunderstanding that is dispelled by communication and a closer relation has to do with the whole energy field. When the OPEC crisis erupted upon us, there were some suggestions in the United States that we were cutting back on our oil supplies to this country, on our gas supplies to this country, and that, indeed, we were doing this in some kind of an exploitive way. But, against the recent statements that have been made on energy and the very — *controversial*, I suppose, is not too strong a word — statements and comments about your policies on energy in the United States, I am sure you will realize, as more and more Americans are doing, that we were simply doing precisely what the United States is doing and is going to be compelled to do, and that is to protect for its own people, to the maximum extent possible, a rapidly-diminishing reserve that we are all discovering, to our horror I suppose, is not nearly as large as we once thought it was.

It is, I think, important that I convey to you, and that Americans understand, that Canada is not as self-sufficient in terms of petroleum supplies as had been thought and that, indeed, we face the same kind of crisis you do. I think the mere fact that it is a mutual crisis is illustrative of the increasing necessity for Canada and the United States to work very closely together, as I have mentioned earlier in these remarks.

I want just to touch on three or four of the key challenges that we face between Canada and the United States in the years immediately ahead. Energy, as I have said, is obviously one of them, and I know that you will be interested to hear what Canada's position is with regard to the transmission of natural gas from Alaska to the United States, transiting Canadian territory. We have said, and I repeat today, that the one thing you can be sure of is that we will not be dog-in-the-manger in terms of assisting the United States to meet its energy needs and to get access to that tremendously important and valuable natural resource. Therefore, if it is within our power to do so, we shall co-operate to the fullest possible extent. When I say within our power to do so, you may be asking well, why a sovereign government and a sovereign country cannot simply say yes or no on an issue of this kind, and it may be useful if I take just a moment to illustrate the constraints against which we are working because, if these are understood, then the next few months, which are crucial to both countries, will be passed over with the smallest amount of irritation or the smallest amount of this misunderstanding to which I have referred.

In the first place, either one of the pipeline routes currently being discussed goes through our northern territory north of the Sixtieth Parallel. There are environmental questions of really great importance that have to be assessed. No project of this magnitude has ever been undertaken, at least in the North American area, in that kind of terrain, and so, therefore, we have a commission that has just recently completed its hearings seeking to determine to the maximum extent that human knowledge permits just what the environmental impact of a major pipeline project in the High Arctic is likely to be.

The second point that it is important you understand is that that whole vast exciting region of Canada called the Arctic is one in which we have a very large group of native people, and these people have certain established rights as well as certain claimed rights. And, therefore, it is incumbent upon us, both by law and through the process of natural justice, to ensure that native rights are also considered in terms of this kind of decision. I only wish there were time to go into that fascinating aspect of this whole project.

But the point I want to leave with you is that the Government of Canada cannot move by way of decision-making until we have the report of that commission on the environmental and the native-rights questions. In addition to that (and I won't bore you with the technical aspects of it), we have a National Energy Board, which is autonomous, and which by law must examine all such proposals without political or other influence and bring recommendations to the Government on issues of this kind. That board has now also completed its hearings, or is virtually at the end of the hearing cycle, and will also be making a report to the Government and a set of recommendations.

Therefore you in Atlanta, Georgia, and I in Ottawa, Canada, are the same in one respect — in that neither one of us yet knows what those two autonomous bodies are going to recommend. Once those recommendations are in, then the Government of Canada and the Government of the United States will have to work in concert on the incredible array of other problems that will then present themselves before decisions can be taken.

Among these — and I'll just touch on the one — is the whole question of the economics of this pipeline and its impact on the whole Canadian financial structure. You who are businessmen in this room, and others too I am sure, recognizing that this is a multi-billion-dollar project, can see what the impact would be on the Canadian economy of the infusion of that large lump of outside capital in a very restricted period, and incidentally, in the first phase at least, for relatively little benefit to the Canadian economy. Essentially it is an accommodation for the United States. And so, when we come to discuss this in detail we are going to have to draw upon the best authorities and the best experts there are, assuming that there is a "green light" saying "go", to assess how we can manage the capital requirements and the capital flows of that project in a manner that will not diminish our capacity to raise funds for other purposes in the capital market and that will ensure that the Canadian dollar, for instance, is kept in some degree of rational relativity to the American dollar.

I hope that, by taking this little time to go over that project, I have been able to give you some indication of the complexity of our relations and the reasons why we have to take certain steps before we can indeed advise President Carter as to what our intentions are going to be. But let me reiterate that our commitment to you is that, all things being equal, and if we can possibly do it, we shall accommodate ourselves to you and not only do so very consciously but do so, in a sense, with a heart and a half, because we are anxious to be of help.

There are several other issues that I could talk about. Because we share the longest border in the world, we also had problems and have problems when that border is extended another 200 miles in various directions as a result of our two-country decisions to declare a 200-mile economic zone in the law-of-the-sea context. And so we once again have very intricate negotiations under way with the United States seeking to delineate where that invisible border, in effect on the ocean, is going to be. But here again there is a general atmosphere of goodwill and a confidence, on my part, that we can resolve the question.

Yet another is the St. Lawrence Seaway, perhaps one of the most remarkable demonstrations of two-country co-operation on the face of the earth. Now there is a necessity to look at it in terms of a revised toll structure. Well, as with the boundary question, Canada has chosen, consciously and deliberately, to do the negotiating in an atmosphere of goodwill without the overhang of the legal devices that are open to both sides but that we have said, essentially, we should rather not employ. In other words, we should rather go at it in a negotiating way with all sides putting their various propositions on the table but not employing the kinds of legal mechanism that are inherent in the various treaties.

Another almost insuperable problem, but one we have to solve, is the question of the protection of the environment. We share the same house in the sense of our part of the North American continent, and the pollution problems, both in the air and on the water, and the potential problems, for instance, that we have as a result of the tanker-route from Alaska to California and to the northern tier of states — all of these things. We must be deeply conscious of them in view of what has happened in the North Sea in the last few days. All of these things are matters that it is literally impossible for one side or the other to resolve unilaterally. We have to have the closest possible relation, not simply because we want to help the other side, as it were, but because this is something that knows no distinction of American or Canadian in the vast majority of cases. The huge rivers that cross our borders, the enormous amount of industrial activity very close to the border — all of these things call for skill and commitment on both our parts, and, once again, I am sure that that is going to be present.

I think I have already exceeded the time and I do not want to cut down on the question-period, and I have barely touched on multilateral matters, and I will simply say this — that, just as there are great similarities between Canada and the United States and between Canadians and Americans, both of us as countries clearly have not only the right but the responsibility to articulate our perception of what the world ought to be, and obviously there cannot be — nor should there be — a blind allegiance across the whole range of multilateral questions that each country supports the other on everything. Canadians obviously want to assert their individuality; they want to retain — in multilateral matters, in international matters — their right to disagree with the United States. It says something, however, for the commonality of our beginnings, and for the depth of our mutual conviction to democratic principles, that divergences of views are so rare. In international matters, I'd be hard pressed at the moment to identify any issue where there is anything more than subtle difference between us. And I am convinced, as I know your

President is, and as I know my colleague Mr. Cyrus Vance is, that Canada and the United States, as blessed as we are in relation to almost all of the rest of the world, must develop leadership beyond even what we have achieved already in terms of resolving the incredible array of problems facing us on this constantly shrinking planet.

That is why Canada for instance, in December decided to form a nuclear-export policy that is ahead of the world, that puts us out in front and puts us, I may say, at considerable risk both economically and politically by saying that we will not supply any nuclear materials to any country that either does not subscribe to the Non-Proliferation Treaty or is not prepared to accept full-scope safeguards. Happily this was an area in which Canada could display leadership, and other countries, we note, are moving towards the Canadian position. We welcomed President Carter's comments in this regard just a few days ago, and also the fact that, in this as in so many other things, we had the opportunity for prior consultation and discussion through the meetings of the President and the Prime Minister.

But I do not think we need have any illusions that you in the United States share a quite incredible burden and responsibility. Let me say to you that when I travel in the rest of the world I never miss an opportunity to remind those who tend to carp and to be critical of the United States that there is surely no community of people in the history of mankind that has done more, that has been more outgoing and more generous, and that continues to be of such vital importance to every person alive today, as the United States. And I hope that this continuing effort on my part to reflect the United States to people who do not know it as well as I do will bear some results.

S/C



Statements and Speeches

No. 77/7

CANADA AND THE COUNTRIES OF THE PACIFIC BASIN

An Introductory Statement by Mr. R.L. Rogers, Director-General, Bureau of Asian and Pacific Affairs, Department of External Affairs, to the Canadian Committee of the Pacific Basin Economic Council, Ottawa, April 4, 1977

The emphasis that has been given to the Pacific area in the ten months since we last met reflects the importance the Canadian Government attaches to strengthening and expanding its relations with governments in the region. There were, of course, normal contacts at the bilateral level, but these contacts were reinforced through visits to countries of the region by the Prime Minister, the former Secretary of State for External Affairs, and the Minister of Energy, Mines and Resources. These visits reflect the Government's policy of diversification in its foreign relations.

In the Pacific, this policy has resulted in greater efforts on our part to co-operate with the countries in the development of mutually-beneficial relations. This co-operation is particularly important given the enormous economic problems facing the Pacific community today — continuing inflation, high levels of unemployment, and uncertainty over energy supplies.

The objectives of Canada's policy in the region — the fostering of economic growth, social justice and international peace and stability — take on increasing importance in the light of current interest in a new international economic order.

When Canada's foreign-policy review was prepared in 1970, it was noted of the Pacific that "the search for expanded opportunity, social justice and a sense of national pride remain fundamental to the search for stability in the region". This is probably even more accurate now than it was in 1970, and provides the underlying motives for Canadian Government attitudes toward the region.

The post-Vietnam-war, post-Mao period has created a sense of uncertainty for countries nearest to the Communist nations of Indochina.

Power balances are shifting as the U.S.A. assumes a less pervasive strategic role in the Pacific and as the Japanese review their role in the region. The attitude of the Government of Vietnam is ambiguous at this time. Will Hanoi concentrate on reconstruction or will it attempt to export its revolution to its neighbours? At the moment, Hanoi appears ready to devote at least some of its energies to rebuilding, and accordingly Canada is ready to offer humanitarian aid. On this point, however, we follow with interest the views of our ASEAN (Association of Southeast Asian Nations) friends.

Policies designed to improve the standard of living and to increase economic opportunities in the Pacific area have been fundamental to Canadian efforts. Political, economic and commercial co-operation is being promoted bilaterally. On the multi-

lateral front, organizations established to assist in promoting greater regional stability, such as the Asian Development Bank, are being supported by the Canadian Government.

In order to realize Canadian objectives in the Pacific, our efforts include the following:

- (1) Intergovernmental consultations on a range of issues;
- (2) expansion of trade relations;
- (3) encouragement of investment and joint ventures;
- (4) refinement of development-assistance programs to the region.

Specifically, in the past ten months, the following achievements are worth noting:

Japan

Prime Minister Trudeau paid an official visit to Japan in October 1976. The centrepiece of the visit was the signing by the two prime ministers of the Framework for Economic Co-operation. The Framework is intended to facilitate bilateral economic co-operation rather than simply attempting to redress the pattern of the trade "mix". The provisions of the Framework, which is quite similar in nature to the "contractual link" with the European Community, fall under three main headings:

- i) the development of trade;
- ii) the development of economic co-operation;
- iii) consultative arrangements.

Under the "development-of-trade" heading, the two governments affirm their commitment to promote the development and diversification of commercial exchanges, to endeavour to expand trade and to co-operate in minimizing the problems of supply and market access.

The "development of economic co-operation" provision is, from Canada's point of view, the key element of the document. It calls upon the two parties to encourage and facilitate:

- i) co-operation between their respective industries in, for example, joint ventures;
 - ii) co-operation in the development and marketing of resources and processed and manufactured goods, including those with a high technology content;
 - iii) greater stability in the production and supply of agricultural products;
 - iv) increased and mutually-beneficial investment.
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The "consultative arrangements" provide for the establishment of a Joint Economic Committee, composed of senior officials, which would normally meet once a year to review the progress of the Framework's implementation and to discuss current economic issues of both a bilateral and a multilateral nature, of interest to both sides. The first meeting is scheduled to be held this June in Canada.

The signing of the Framework has, I believe, created a co-operative atmosphere in which officials and businessmen can now conduct their activities, but I should stress that it is basically that, a *framework*, and it will be up to the private sector, in particular, to give it substance. Provincial governments must also be involved if we are to make progress with the Japanese, and I am pleased to report that considerable effort is being expended to secure their co-operation in co-ordinating our respective responsibilities.

We must be alert, however, to changing Japanese perceptions of Canada, which could alter this situation. They have on occasion expressed concern at trends in federal-provincial relations, labour-management problems and the different roles of government and business as compared with Japan.

Another achievement of Prime Minister Trudeau's visit to Japan was the signing of a cultural agreement to promote the exchange of people, including professors and students. While of obvious intrinsic value, the cultural agreement has beneficial "spin-offs" in our economic relations. Increasing contact between peoples leads to greater appreciation in some quarters of economic capability, and often this leads to increased trade.

In addition, the two prime ministers reaffirmed the commitment of their two countries to continue the increased consultations on international political and economic questions.

Australia and
New Zealand

Last September, the former Secretary of State for External Affairs visited both Australia and New Zealand. One of the major purposes of this trip was to demonstrate Canada's strong interest in expanding its relations with the South Pacific countries and to emphasize the importance of these countries to Canada's trade. Indeed, total Australian-Canadian trade approached \$700 million in 1976.

In January, Mr. Gillespie visited Australia, and agreement was reached to exchange on a regular basis information on energy developments.

The Australian economy has shown considerable improvement in the past year. Nevertheless, serious economic problems continue despite devaluation of the Australian dollar by 12.5 per cent, and inflation is expected to be at least 10 per cent this year.

In New Zealand, serious economic problems comparable to those in Australia continue to plague that country. Economic difficulties accounted for the import-deposit scheme, which has been extended to the end of August. Canada continues to push for its removal.

ASEAN countries

Mr. MacEachen also visited Malaysia and Indonesia last August to demonstrate strong Canadian interest in Southeast Asia and to encourage closer political, economic, commercial and developmental ties with the countries of the Association of Southeast Asian Nations.

Canada considers ASEAN to have the potential to contribute through increased regional co-operation to greater stability in the area. The degree of success of ASEAN's movement towards regional economic co-operation has been limited since the Association was formed in 1957, but there has of late been a definite strengthening of political will to encourage effective cohesion.

Canadian officials from External Affairs, Industry, Trade and Commerce and CIDA (the Canadian International Development Agency) held the first formal meeting with ASEAN officials in February. The Canadian delegation reaffirmed Canadian support for the goals of ASEAN, and discussions were held on the subject of Canadian development assistance to the organization and views were exchanged on possible future co-operation in trade and economic relations. Agreement was reached to proceed with projects involving a feasibility study for a regional satellite-communications system and for consideration of a regional transport system.

The above initiative towards ASEAN is, of course, founded on long-standing bilateral relations that we have had with these countries.

Indonesia

Canada's most extensive relations are with Indonesia, the largest, most influential and potentially the richest country in the region. The Economic Development Corporation and CIDA extended a \$200-million line of credit in 1976. Indonesia is a member of the Organization of Petroleum-Exporting Countries and is a producer, in addition to oil, of lumber, rubber, tin, copper, bauxite and nickel, and will play an increasingly significant role in international oil and commodity discussions.

Thailand

Despite political difficulties in Bangkok, our relations with Thailand remain very important. The stability and security of Thailand are key factors in determining prospects for the peaceful political and economic development of the region.

Korea

Solid economic growth during the last five years of over 11 per cent in real terms has strengthened not only the economic fabric of the country but also the Government of President Park, despite international censure by human-rights activists over Park's imprisonment of liberal-minded political dissidents. While this has cast a shadow over South Korea, that country's economic performance continues to outshine that of many other developing countries. Inflation is a concern, but not out of control, and unemployment is 4 per cent. The export picture is relatively bright and South Korea's trade deficit appears to be manageable.

China

Internal political turmoil in the People's Republic of China (PRC) during 1976 resulted in slowdown in economic growth. The new leadership group under Chairman Hua appears to be pursuing strikingly "moderate" policies and seems disposed to more contacts with the West, in both the trade and cultural areas. China is expected to emphasize growth over ideological concerns in the arrangement of its new five-year plan. China will probably continue to loom in the foreseeable future as a

giant, observing more than leading events, and playing a generally stabilizing role in the Asian arena.

Despite China's internal troubles, relations between Canada and the PRC continued to reflect Canada's strong interest in reducing China's political isolation, and developing a climate of relations conducive to our important commercial interests there. A vigorous program of trade, cultural, scientific, sports, medical and educational exchanges helps build a solid basis for better communication with this potential economic and political super-power.

Naturally, Canada's relations with the Pacific-area countries cover a number of elements of interest to you as well as to us, which time does not permit me to discuss. These include: political developments, such as human rights; the activities of great powers in the region; multilateral political and economic questions such as the law of the sea; and our constant effort to promote a positive image of Canada in societies and cultures often very different from our own....

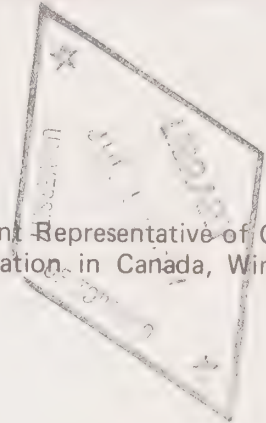


Statements and Speeches

77/8

CANADA AT THE UNITED NATIONS

An Address by W.H. Barton, Ambassador and Permanent Representative of Canada to the United Nations, to the United Nations Association in Canada, Winnipeg, May 13, 1977



In our program, my subject, "The Canadian Perspective — Canada at the United Nations", is presented in the context of the more general heading "the management of change", and I shall try today to shape my presentation within that general framework.

At the outset, I feel I must pose the question: Do we manage change or does change manage us? Perhaps the most we do is manage our adaptation to changes that come upon us willy-nilly. For example, the men and women who drafted the UN Charter and represented their governments at the time of its adoption no doubt would have agreed to the proposition that we live in the age of the nation state. And, indeed, the Charter itself states that the organization is based on the principle of the sovereign equality of all its members. But I strongly doubt that they could have conceived of the lengths to which this concept would be stretched. Paul Martin may have had some idea of the consequences of the initiative he took in 1955 to work out a package deal on membership, but I suspect that even he did not foresee the day when we should have nearly 150 nations, most of them desperately poor and some with populations of only a few thousand.

The example I have cited is, of course, the first and perhaps the most fundamental change — one to which Canada, like all other member states, is still in the process of adapting. Let me mention some other fundamental changes in the UN. First, in 1945 the primary responsibility of the organization was seen to be the maintenance of peace and security. Today, let us be frank, the UN has adjusted its sights to a somewhat more modest role.

The UN has been able to fulfil an important — indeed vital — support function through the establishment and operation of peacekeeping forces, observer missions and investigative bodies. Canada has always been an active supporter of the UN in this respect, and this sense of involvement led us to play a leading role in the establishment of all the different UN peacekeeping activities over the years. Our appreciation of the importance of this function has also meant that, notwithstanding the circumstances of the termination of UNEF and the withdrawal of our troops in 1967, we were prepared to participate in the new UNEF and in UNDOF in 1973.

Security Council resolutions also have had value in providing a negotiating structure — for example, Resolution 242 on the Middle East. It can even be argued that General Assembly resolutions on peace and security matters, anodyne or prejudicial though they may usually be, do serve a useful purpose. But, except in one case, the permanent members of the Security Council have been unable to agree on the application of

the powers vested in it under Chapter VII of the Charter, and the number of major disputes in which the UN has been powerless to intervene in any way and the secondary character of its role in most of those where it has had a part to play are sufficient proof that the expectations of 1945 in this vital area have had to be significantly modified.

It is a sad fact that the value of the contribution by the UN to peace and to the prospects for settlement of disputes has been considerably diminished in the eyes of many Western nations, and particularly the United States and Canada, by the war of words that has gone on in the General Assembly and in most of the other forums available in the UN family of organizations — particularly, but not exclusively, over the Middle East situation. But I venture to suggest that there are some offsetting factors that should not be lost sight of. It has contributed to the air of crisis that has made the major powers face up to the fact that they must make vigorous renewed efforts to help the "protagonists" find a solution. It has brought home to the Western world the primordial importance attached by most members of the UN to the notion that the occupation of the territory of one power by another is intolerable. And it has made it crystal clear that, in the case of the Middle East, peace will be unattainable unless the legitimate interests of the Palestinians are met.

Irrespective of what we think of this aspect of UN concern with issues of peace and security, continued UN involvement is indispensable. We, for our part, shall continue to accept the necessity to support those actions that we think are right and to oppose those that are bad — not only in the UN itself but in our relations with other governments.

As a further example of fundamental change, let me cite the elimination of colonialism, which, in 1945, was a largely-unrealized dream. Today, although the old colonial empires are gone, we are confronted with a new awareness of the terrible problems of southern Africa. At the same time, we have to acknowledge that, in many lands where colonialism has ended, viable alternatives to the old colonial economic system have not been found. Political institutions have proved to be fragile, and new abuses of human rights have taken the place of old.

So far as southern Africa is concerned, we must expect that it will continue to be a major preoccupation at the United Nations so long as the independence of Rhodesia and Namibia under governments based on the principle of minority rule is denied, and so long as *apartheid* persists in South Africa. The African nations, having obtained their own freedom and a voice in the organization, have pressed the issue during the past ten years with increasing effect, until every member state has joined in invoking sanctions against Rhodesia and denouncing South Africa for its policy of *apartheid* and for its illegal occupation of South West Africa (Namibia). Now the Africans are demanding that the Security Council should invoke Chapter VII of the Charter to impose an arms embargo and sanctions against South Africa. Thus far, Canada and most Western nations have not been prepared to contemplate such action.

For Canada, the problem of southern Africa involves a number of factors in addition to the question of sanctions, all of which have to be taken into account as matters

develop. Trade with South Africa is significant but, whereas it was once the main component in our trade with the whole of Africa, this is no longer so. The total volume of our trade with the rest of the continent is now four times as large. The question of the human rights of the black majority has been a prominent element in our policy consideration, but it is evident from letters we receive from concerned Canadians that some at least feel that we should have our own house in better order before we denounce others. They are apprehensive also that majority rule will also mean the loss of human rights by the white minority.

It will be evident from all of this that the resolution of this last phase of colonialism will be a priority concern of Canada, along with the rest of the membership of the UN, for some time to come.

Let me cite as my final example of fundamental change the role of the UN in the areas of economic and social development, which in 1945 was seen to be mainly one of co-ordination. The function of the Specialized Agencies was supposed to be the development of international standards and codes supplemented to the extent necessary by research programs for the good of all, funded by voluntary contributions. Today, 32 years later, economic and social affairs are seen as a major preoccupation of the organization. A program of development assistance, on a scale undreamed of as recently as 15 years ago, forms the principal component of the enormous growth in the financial and human resources commitments of the UN itself and of the Specialized Agencies. The total of the budgets, assessed and voluntary, of the UN family of organizations, is about \$2 billion a year, and most of it goes to meeting economic and social development goals.

Even more important is the fact that the General Assembly, supported by the Economic and Social Council and the UN Conference on Trade and Development, has become the principal platform for the expression of the aspirations of developing countries for a new international economic order.

I guess it would be honest to say that most nations approach the issue of the NIEO with a mixture of concern for the common good and for self-interest, with perceptions tailored to fit the specific situation of the party concerned. The Canadian position is distinctive in that, although we clearly belong in the category of the developed, we have many characteristics shared by the developing nations. In particular, we are a raw-material producer and exporter (sharing the frustrations of the developing nations over the tariff policies of our industrialized customers that obstruct our goal of upgrading), we are a major host to transnational and foreign corporations, and we are a large importer of development capital.

It is obvious that determining Canadian policy in this situation involves the reconciliation of a host of conflicting domestic interests, and there are many who differ strongly with the policy as adopted. Under the circumstances, I shall say only that Canada participates actively in negotiations on these matters in the GATT, in UNCTAD and CIEC, which Mr. MacEachen has been copiloting and which is drawing to a conclusion in Paris. We expect a resumed session of the General Assembly on these issues in September, and you can be sure we will be there in force.

These changes that I have cited are perhaps the most important manifestations of the adaptation of the UN to the realities of the changing world. Some would, no doubt, challenge my use of the word "realities" and propose to substitute "unrealities". But of course a UN behaving in the way in which the realists would have it do would be an unreal reflection of the world we live in. The UN is, in essence, a giant retort in which one reality, the reality of the two-thirds of the world's population that lives in poverty, interacts with another — the reality of the overwhelming military and economic power held by the other third. The consequences of this interaction are unpredictable. But every member state recognizes that its vital interests are involved and that the manner and measure of its participation, for better or for worse, will affect the outcome.

This leads me to some observations on the participation of Canada in the UN. I think it is fair to say that Canadians are not a cynical people, that the Government reflected the views of the nation when it subscribed to the purposes of the United Nations Charter in 1945, and that it continues to carry the support of most of our citizens for its active involvement in the organization today.

Ever since 1945, Canadians concerned with Canada's representative in the UN have operated on the assumption that, because of the share of world resources we command, our political and cultural heritage, and our sense of values, we have an influence and a responsibility disproportionate to our size. The old phrase "middle power" has gone out of style, and the fact that we are now one of 147, and ninth-largest contributor rather than fifth, has undeniably had some effect on our place in the UN firmament. So too has the tendency for the organization to follow the path of bloc voting, which has the effect of steamrolling the efforts of individual delegations to help negotiate decisions that will be the best possible under given circumstances. But I believe I can assert with confidence that Canada is still seen as a major contributor to the UN, not only in a financial sense but also in terms of our dedication to the achievement of the purposes of the organization. In most UN organs, most of the time, Canadian representatives continue to be numbered among the most influential and effective delegations. Although this assertion (or should I say *boast*) is intended to apply throughout the UN system (including Geneva, Rome, Paris, Nairobi and Montreal, as well as New York), what follows is focused primarily on New York, since that is my particular responsibility.

If we are effective, it is certain that one important component is management. It starts with the Government's management of foreign policy in all its aspects — political, economic, aid, energy, science and technology, international law, and so on, including the identification of national goals and priorities. This is the foundation for the determination of mission priorities — and mission priorities are essential, because there is simply too much going on to cover everything in depth. The danger of allowing one's resources to get spread too thin must be a constant preoccupation of every head of mission.

Each year, we make up what we call a "country program", which identifies mission goals and gives a breakdown in man-years of the way it is planned to use our personnel resources. To cover the main areas on a continuing basis there are 12 officers,

not counting myself — three on the political side (plus a military adviser), five on economic and social issues, one on colonial problems, one on legal affairs, one on UN management and administration, and one on public affairs. Of course, we don't hesitate to use one section of the mission to reinforce another when help is needed and, during the General Assembly or when there are conferences requiring people with technical skills, we get reinforcements from Canada.

Admittedly this account may seem over detailed, but deployment of resources is the essence of management, and I thought it important to make it clear that what we do is carefully planned and subject to scrutiny by a tough interdepartmental committee in Ottawa, representing all those agencies with a stake in the product of our efforts.

Anyone who has had anything to do with the UN will appreciate that, though we can and do identify policy areas to which we attach priority, and reflect this in our use of resources, we have to operate within the constraints of the UN system and timetable. For example, from September to December, we have to deal with the 125 items of the General Assembly as they come up in the agenda, and even during the rest of the year a major determining factor about what we can do, and when, is the *Calendar of Conferences*.

I hope that what I have said thus far will indicate the ways we are responding to change in the United Nations, particularly in the main policy areas. But, before I close, I should like to flag two aspects of our work that are relevant to our subject. One is the question of the management of the UN and its budgetary and personnel aspects, including the placing of Canadians on the staff. The other is the constant activity in the field of international law, of which the best example at the moment is the Law of the Sea Conference. Perhaps I should also inform you that we have a trade commissioner on our staff to make sure that Canada gets its fair share of the business generated by the UN through its development-assistance programs.

I should like to conclude my remarks by referring back to a comment I made a few minutes ago. You will recall that I said that every member state, irrespective of its position in the organization, recognized that its vital interests were involved in the continuing negotiating process, and that the manner and measure of its participation, for better or worse, affected the outcome. I then went on to make the case that the rationale for Canadian participation was more than this — that the national sense of responsibility and concern for the goals of the organization demanded active and constructive involvement.

We live in an interdependent world of member states. Politically, economically and, indeed, in every aspect of life on this planet, we impinge one on the other. The process of adaptation and the search for collective approaches to problems that are not possible of solution in any other way can be delayed or distorted by the clash of policies, but this does not obviate the need, and it is in our own self-interest that we persist in our efforts in spite of the frustrations we may encounter. This is the credo of the Canadians who work for you at the United Nations.



Statements and Speeches

No. 77/9

CANADA AND JAPAN PROGRESS TOWARDS COMMON GOALS

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, at a Luncheon Given in Honour of the Foreign Minister of Japan, His Excellency Ichiro Hatoyama, Vancouver, June 13, 1977.

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I believe it is very appropriate that the first meeting of the Canada-Japan Joint Economic Committee, which Foreign Minister Hatoyama and I opened this morning, is being held in Western Canada. In choosing to have the meeting in Vancouver, I wanted to demonstrate the important and active role that Canadians in the Western provinces have played in the development of every facet of the Pacific dimension of Canada's foreign policy.

The city of Vancouver itself has an integral place in the many activities associated with this policy. It is through Vancouver that a great deal of the large and increasing volume of trade between Canada and its Pacific partners flows, and it is in Vancouver's offices and boardrooms that a number of important decisions are made concerning Canada's financial and commercial activity in the Pacific region.

This is not to suggest, of course, that Vancouver's links with the countries of the Pacific are limited to trade and financial matters. The steady stream of people going back and forth in both directions has given this city a unique involvement in and understanding of Canada's growing role in the Pacific. Universities in this city are committed in a significant way to academic study of the region. Vancouver's close cultural ties with the Pacific in the arts, theatre and even in cuisine also attest to the importance of the Pacific relationship for the life of the city.

I should like to limit my remarks today to a major element in the development of Canadian policy towards the Pacific — our important and increasingly-complex relations with Japan. When the Trudeau Government took the decision several years ago to place high priority on developing and expanding Canada's relations with Japan, it was in recognition that Japan had emerged as a global power with important international interests, primarily, albeit not exclusively, in the economic sphere. It was seen that Japan, one of the world's leading trading nations, would play a key rôle in the future management of the world economy. Furthermore, Japan, like Canada, is an industrialized country that shares the same basic democratic ideals and desires to respond effectively to an increasingly-complex world economic and political situation. It follows that there could be mutual advantage through increased contact on international issues.

In addition, Japan offered a vast domestic market for Canadian goods and services as well as the potential to participate in Canadian development through the provision, among other things, of welcome investment capital. We therefore drew the obvious

conclusion: an enriched co-operative relationship with Japan that envisaged closer ties in the political, economic, cultural, scientific and technological fields would support directly Canada's objective of building a sound domestic economy and reducing Canada's economic vulnerability.

It is clear, of course, that the Canadian objective of consciously enhancing the relationship between Canada and Japan could not be fulfilled unless it received a positive response from the Japanese. In this regard, I think it can be clearly stated that the Japanese Government fully shares this objective and has expressed its own commitment to strengthen and expand the ties between us.

Against this background, I want to review briefly the progress that has been made to date towards achieving Canadian objectives with Japan and to offer suggestions as to how we together can take part in enhancing the relationship in a mutually-beneficial and co-operative manner.

One major requirement has been to increase government-to-government consultation in order to encourage the Japanese Government and people to obtain a better understanding of Canada and Canadians. We have also tried to create a more systematic framework in which these discussions can take place. One example of this has been a noticeable increase in the frequency of meetings between our political leaders through bilateral visits, such as the Prime Minister's visit to Japan last October and the presence of Foreign Minister Hatoyama in Vancouver today. Indeed, since assuming my present portfolio last September, this is the third occasion on which I have held discussions with my Japanese counterpart — having already met with Mr. Hatoyama during the economic "summit" in London last month and with his predecessor at the UN General Assembly last fall. I have found increased consultation of this kind to be particularly valuable because of the perspective our two countries bring to discussions of this kind.

Such meetings also provide an excellent opportunity to exchange views on important issues such as nuclear questions, which Mr. Hatoyama and I will be discussing this afternoon. On this important question I should like to stress that there is no dispute over our basic attitude and that of the Japanese towards non-proliferation. We are both committed to the non-proliferation of nuclear weapons. The difference in views in our negotiations results from the fact that we each have to discuss the matter within the "parameters" of our existing domestic policies. This meeting will give us the opportunity to clarify our respective positions and to identify, if possible, means to reconcile the Canadian nuclear-export requirements and the energy needs of Japan.

It has also become clear that, in order to forge a more meaningful bilateral relationship, it will be essential for both Canada and Japan to change the traditional, and in many ways inaccurate, images each has of the other. Indeed a change in perception in our media and in our schools of higher learning is vital to the success of our political and economic objectives. In one attempt to improve this situation, my department has embarked upon a major academic-relations program designed to encourage the development of Canadian studies in Japan and Japanese studies here in Canada. We are also actively facilitating increased exchanges of sports groups, academic, theatre

and youth groups in order to help stimulate mutual understanding.

The challenges of fostering greater insights and changing the traditional images apply equally in the trade and economic field. We have already developed a relationship with Japan in this area that is of considerable importance and mutual benefit. This is a fact of which Western Canadians, who have supplied the overwhelming proportion of our \$2.4 billion in exports to Japan in 1976, are already very much aware. Also of tremendous significance to Western Canada is the fact that Japan's needs have been of a magnitude sufficient to justify expansion of Canadian production for the specific purpose of meeting this demand. Coal, rapeseed, copper and lead ores and concentrates, pork, herring roe and pulp are only a few examples. At the same time, Canada, with imports from Japan of \$1.5 billion in 1976, continues to be one of the largest *per capita* purchasers of Japanese consumer electronics and automobiles.

We must also admit, however, that we still know too little about each other, that misconceptions persist on both sides and that in most quarters we are not yet sufficiently aware of the potential for our relationship. I am convinced that tremendous opportunities still await us in the areas of trade, investment, joint ventures and technological exchanges. Yet traditional trade-development programs and established consultative mechanisms have not in themselves been adequate to meet the challenge fully. Therefore governments in the two countries must provide leadership and use the instruments that are within their powers to facilitate these developments. Governments have a role in setting the climate and creating conditions that will encourage positive action by the private sectors of both countries.

The Framework for Economic Co-operation signed by Prime Ministers Trudeau and Miki last October can be seen as a major stimulus to this activity. It represents the commitment of the Japanese and Canadian Governments to seek an enhanced and more balanced bilateral relationship, based on a positive pragmatic approach, mutual benefit and greater understanding of our respective economic policies. It also provides for the establishment of the Canada-Japan Joint Economic Committee that is meeting today, and for both governments to promote the development and diversification of commercial exchanges and to encourage and facilitate co-operation between our respective industries.

The further growth in existing trade will be one important element in the future of our relationship with Japan. However, there are also other important dimensions to the type of enhanced relationship that I believe is open to us.

One will be a broadening in the range of goods in which we trade. Canada wishes to upgrade the composition of its exports to Japan by increasing the proportion of processed and manufactured goods. The Canadian Government, with Japanese co-operation, has mounted an intensive trade-development program to apprise Japanese businessmen and consumers of Canadian manufacturing and export capabilities and to familiarize the Canadian business community with the market structure and opportunities in Japan.

The task is arduous and will require perseverance, but I believe there is evidence that

the trade "mix" is beginning to change. Japan is slowly growing more appreciative of Canada's sophistication and quality as a trading partner. Canadian technological achievements — as the first country in the world to design, manufacture and employ a domestic communications satellite and a highly-efficient heavy-water nuclear-reactor system, and as a world leader in STOL aircraft systems — are receiving greater attention and recognition in Japan. Intensive investigation of the possibilities for co-operation in aerospace and nuclear power is already under way, while Canadian firms have sold to Japan a variety of manufactured items, including aircraft, automotive parts and service equipment, restaurant equipment, electronics, sonars for fishing and computer terminals.

I understand that several members of the Makita Mission, a group of nine senior Japanese industrialists who visited Canada last fall, expressed concern that Canada might link its efforts to upgrade the percentage of manufactured goods sold to Japan with the continued availability of raw materials. I want to stress that this linkage is not part of Canadian policy. Canada wants to sell manufactured goods to Japan, as we do to other major industrialized countries, but I should emphasize that we do not expect Japanese companies to purchase such goods unless they are competitive. I also value our existing trade in resources and agricultural products and look forward to continued growth in this area as well.

Another dimension to the future of our economic relationship relates to investment. Forecasts indicate that Japan will greatly increase its investment abroad. Canada's development has required, and will continue to require, foreign investment. Though the quantity is still relatively small from the Canadian perspective, Canada has been an important recipient of Japanese capital in increasingly-diverse fields (\$500 million in 287 projects). As well, the Japanese have been sensitive to ensure that their investments in Canada are welcome. These capital flows have tended to be structured in a fashion that reflects the interests of the host country, emphasizing joint ventures and the use of loans as well as equity. However, I think that there are opportunities for additional investment that would be of benefit both to Canada and to the Japanese investor, and I can assure you that this would certainly be welcome.

I am aware that some concern has been raised about the investment climate in Canada. In response, I would point to the substantial continuing investment in Canada from other countries that reflects their appreciation that Canada remains an attractive place in which to invest, something which I understand a leading Japanese business magazine has itself pointed out as a result of a recent survey. Canada is going through a difficult period and there is concern within the country as well as abroad about the evolution of Canadian federalism. Let me assure you that the solution of this debate will not in any substantial way alter the fundamental soundness of my country. In 110 years Canada has been confronted with many challenges, and it has always overcome them in a reasonable and democratic way. I fully expect that Canada will come out of this debate stronger and more united than ever.

One point I have touched upon earlier is the need for Canadian businessmen to increase contacts with their Japanese counterparts. I have mentioned some of the activity our two governments have initiated to facilitate such contacts. Much has been

done, and I know there are many in the audience with extensive contacts in Japan. However, these efforts need to continue and to be intensified, for they are central to the successful expansion of economic co-operation. Several countries have formed valuable businessmen's organizations with Japan to assist in this area, and I understand that there have been some discussions in the Canadian business community concerning the formation of a Canada-Japan businessmen's association. I very much welcome this development.

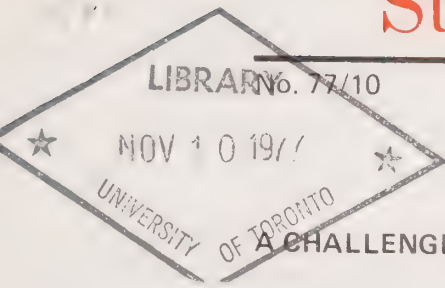
As I mentioned at the start, the Canada-Japan Joint Economic Committee initiated its first meeting this morning. This meeting is another indication of the commitment both governments have made to further efforts at economic co-operation. The two major objectives of the Committee, which is expected to meet annually, are to further specific economic co-operation projects entailing increased trade and mutually-beneficial joint ventures and investment flows and to discuss economic issues of mutual interest, be they bilateral or multilateral. In addition to general questions, there will be discussion in some detail on co-operation in energy and resources, agriculture and secondary manufacturing.

This brief summary will give you some idea of the efforts that are being made to develop further our relations with Japan. I think that much has been achieved. However, the opportunities for further expansion are great and will require considerable additional effort, both by government and business. It is only in this way that we can realize the full potential that exists for mutually-beneficial co-operation between our two countries.

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Statements and Speeches



A CHALLENGE OF HISTORIC PROPORTIONS

Opening Statement to the Ministerial Meeting of the Conference on International Economic Co-operation by the Honourable Allan J. MacEachen, President of the Privy Council of Canada and Co-Chairman of the Conference, Paris, May 30, 1977.

* * * *

In the closing days of 1975, I suggested to the first ministerial session of this Conference on International Economic Co-operation (CIEC) that we faced a challenge of historic proportions; in the next three days we must finalize our present response to that challenge. I remain confident that we can meet it, recognizing the conference is a step in a longer journey along a necessary path that must eventually take us all towards a new global order.

The CIEC, with its membership drawn from 27 industrialized and developing nations, is a unique conference in its structure and approach. It deals with a world faced by a need for fundamental and permanent adjustment — a world in which developing countries face intensified problems and yet are gaining a new awareness of their potential. It has an almost universal focus in terms of the issues before it, yet its deliberations have been careful, comprehensive and innovative. These fundamental and complex questions deserve the long hours of discussion they have received over the past months. An immediate gain is our greatly-advanced comprehension of and sensibility to them. Many of these questions have no simple answer; for some, even at the close of our present discussions, we shall have only completed a leg of a major but essential voyage, since their ultimate implementation and resolution must rest elsewhere.

We have already made real progress in some areas, such as long-term growth of the IBRD (International Bank for Reconstruction and Development) capital, commitments to substantial increases in ODA (official development assistance), the necessity to reduce dependence on hydrocarbons, and we have endorsed a decade on African infrastructure.

In our continuing deliberations, we must strive to focus our attention on the feasible and the most important amongst the proposals presented to us by the senior officials' meeting. These are areas where concrete advances can result if we resolve certain essential principles and policies. It would be too easy to fail to focus on the issues most needing our attention when almost every issue on the table has global and major national implications; it is a cruel dilemma faced by this conference throughout its life but one I hope we can discipline ourselves to accept.

Success will not come easily for us. The extent to which we succeed will depend upon the new commitments we can all make in the next three days. This conference and the

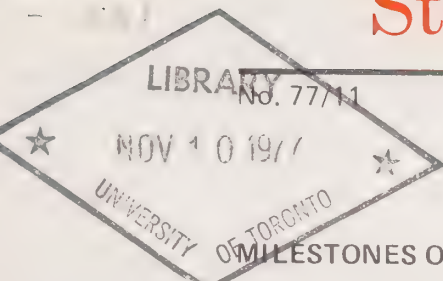
broader events of the last three years have made us all very aware of both the realities of the fundamental challenge facing mankind in a resource-finite world and the inherent, painful complexities of change. As political leaders we have all recognized that new decisions and policies are inevitably the product of a complex and permanent two-way traffic. We shall not make the progress we must make if we, developed and developing countries alike, bind ourselves absolutely to the briefs I see before most of us around the table. The challenge before us is to evolve beyond these set positions. However, we equally cannot reorder the world in three days.

A failure to meet the challenge and find the appropriate middle ground would, to my mind, represent a major failure for all countries, developed and developing, to promote an orderly evolution in the area of international economic relations. This evolution is now a necessary, permanent dynamic for us all, which we should face squarely. Inaction brings escalating penalties. There is no doubt in my mind that we must pursue, and indeed promote, this dynamic, not only in this conference but in many other international forums, especially those within the UN system, and with the full and equitable involvement of all segments of our populations.

This conference's immediate genesis is in the world-wide economic and even social difficulties of the past years, from which we have yet to fully emerge. These events have made us all even more conscious of the growing interdependence of nations. We are not, I hope, sharply delineated "North and South", but rather neighbours on one planet, and as such jointly responsible for mankind's future well-being. We are gaining new perceptions on how we should and can interact, on how to find a new equilibrium between nations and individuals, on how to meet the challenge of sharing. What we should add over the next three days, as we bring this Conference on International Economic Co-operation to a successful close, is a further commitment of concern. Commitments at a global level that we already accept nationally must not rest on an economic power relationship alone; increasingly they must find their rationale in certain moral imperatives, in social justice. Our task is to record our permanent commitment to these objectives and a sustained dialogue to seek continuing advances in these areas.



Statements and Speeches



MILESTONES ON THE ROAD TO A NEW ECONOMIC ORDER

A Canadian Statement at the Conference on International Economic Co-operation by the Honourable Alastair Gillespie, Minister of Energy, Mines and Resources, Paris, May 30, 1977.

Canada is pledged to the task of shaping a new economic order to reduce the gap between the wealth of the few and the poverty of the many. We sought participation in the CIEC (Conference on International Economic Co-operation), and accepted the co-chairmanship, because we believed that this conference would provide vital impetus to the ongoing "North/South dialogue". At the same time, it presented a first opportunity to address energy problems of increasing importance to all countries.

We must now at this ministerial meeting make a significant contribution to a better economic order. I am convinced that we can. I see already four milestones of signal importance and, within these, progress in many areas. The four are:

a new emphasis on official development assistance;

a new appreciation of the extent of developing-country integration into the international economic system;

a fresh spirit of willingness to examine new solutions;

an important international understanding on energy matters.

At the first milestone, the CIEC has already underscored the primacy and importance of official development assistance to the economic progress of developing countries. Recent concentration on access, technology, shipping and a host of other subjects may have suggested that "trade not aid" was the all-important key to development efforts. Without in any sense denying the importance of such non-aid aspects, I think that the CIEC has served to remind the international community that resource transfers of constantly-increasing magnitude are urgently needed, and will be needed for decades to come.

As a result of this renewed emphasis, one of the measures of our success will be the commitments that can be secured on ODA (official development assistance) from donor countries. Speaking for Canada, the fifth-largest DAC (Development Assistance Committee) donor for official development assistance, I can assure you that we shall continue to work towards the 0.7 percent target. Despite severe spending strictures on virtually all Government programs, we are determined that Canadian levels of assistance will continue to rise; the Canadian Government intends to disburse \$1,100 million in fiscal year 1977 — an increase in excess of \$100 million over the previous year. I can tell you that this increase relates directly to our participation in the CIEC.

It also responds to the recommendations of a Canadian Parliamentary committee concerned with development issues. Their very positive suggestions, prepared especially to coincide with the conclusion of the CIEC, have been in several important cases surpassed by new Government measures. The consensus of the Parliamentary committee representing the interests and concern of all Canadians, and the measures now being taken by the Canadian Government, are clear indications of political will to improve our contribution to development. I shall describe more of these to you in a general review of the progress this conference has made.

Continuing on ODA issues, you are aware of the proposal that the CIEC provide a special action program to meet the immediate needs of developing countries. This would be money that would not have been made available in this form if this conference had not taken place. I want to announce today that, if this conference succeeds in a result including a special action program, the Canadian contribution would have both a past and a future dimension. It would be directed towards the particularly acute needs of the least-developed countries (LDCs). From the time this agreement is reached, the Canadian Government's aid to these countries thenceforth would be entirely on a grant basis. As a direct contribution to special action, Canada would be prepared to respond to the demand for debt relief that has been a central issue of this conference; the Canadian Government would convert to grants all past development loans to a number of least-developed countries in Africa and Asia. The amount to be forgiven would be some \$254 million. It would have an immediate and positive impact on countries concerned, and would free funds for their development that would otherwise have been due to Canada.

Canada welcomes the agreement that donors will strive for an 86 percent concessional element for ODA. We hope that there will be quick movement to and beyond this level. Our own concessional element of over 95 per cent demonstrates conviction that aid must be on the softest possible terms, especially where this is directed to the poorest countries.

Although it is difficult to prove an organic link between the CIEC and decisions taken in other institutions, one cannot dismiss the fact that concern for a positive CIEC result has been one of the factors motivating positive government decisions on the timing of the fifth IDA (International Development Association) replenishment, the International Fund for Agricultural Development, IBRD (International Bank for Reconstruction and Development) capital-base increases, and other actions that will increase the quantity of concessional flows to developing countries. In short, we can already discern positive results on a broad front. I discern a second milestone in the vital impetus given by this conference to an important process already begun. I refer to the integration of developing countries in all aspects of international economic life. This process did not begin here, but there is increasing evidence of its impact. There was a time when the major industrialized countries tended to seek solutions to problems among themselves and, within this context, to elaborate special measures for developing countries. Today, our common objective is the incorporation of mechanisms, designed from the outset to serve development needs, into the international economic system.

Grappling with these dynamic issues of international economic management has not made our task easier here. Often we have been discussing matters that are part of the complex mosaic of international negotiation elsewhere. Singling out developing-country interests before the other parts of the negotiation are completed becomes increasingly difficult. Here again, however, I would contend that significant gains have been made in our common commitment to advance these interests.

On the trade side, we have welcomed during the CIEC the early implementation of new measures for tropical products as the first concrete results to emerge from the Multilateral Trade Negotiations (MTN). The Canadian Government, responding to this need, implemented our tropical-products offer in its budget this past spring. Except in cases where it proves impractical or inappropriate, Canada will consult with supplying beneficiary countries before withdrawing the GSP (generalized system of preferences) for safeguard purposes. On a broader front, Canada is convinced that the MTN must provide new opportunities for trade and industrial development in developing and raw-material-exporting countries, with improved access to developed-country markets. We support major and comprehensive trade liberalization of tariffs and non-tariff measures on industrial and agricultural products. In this context we believe that questions relating to security of supply and access to markets should be discussed together in the MTN so that all questions of relevance to each sector can be considered in relation to each other.

On the grains side, the Canadian Government endorses the readiness, expressed for the first time in the CIEC, of major exporters and importers to enter early negotiation of a new arrangement. Again, with developing-country interests to be reflected throughout the new agreement, we have found it difficult before the onset of negotiations to specify precise commitments. We should be neither surprised nor discouraged with this fact. An effective settlement in the grains sector will have to deal with interrelated problems — including the need to improve and secure access to world markets for grains and grain products, to limit the detrimental effects of export subsidies, to reduce unnecessary fluctuations in grain prices and to improve world food security. Canada believes the eventual agreement should also include food-aid commitments to ensure minimum levels of food-grain availability as aid on a continuing basis. We are ready to accept a volume commitment in concert with other potential donors. All of this remains to be negotiated, and the CIEC has brought the negotiating stage much closer.

The CIEC has also provided the venue for major economies to announce their readiness to participate in the 500,000-ton emergency grain-reserve. The Canadian Government will participate, provided other countries in a position to contribute will do the same. This reserve will be an important element in enhancing world food security. But world food security and food aid are the responsibility of the entire international community. As the present supplier of one-tenth of the ten-million-ton cereals target, Canada calls on all donors to take urgent measures to reach this goal.

The third milestone is that, over the course of the CIEC, participating countries have shown fresh willingness to look for new solutions to old problems. Sometimes we

have decided to re-examine the value of arrangements already in place and the impact of policies already being implemented.

Probably the best illustration of this spirit is the emerging consensus that there should be a common fund for commodities. The CIEC has "energized" this process; the Canadian Government today announces our support for the CIEC action towards such a fund — it is our position that this fund must be linked to the successful conclusion of individual commodity agreements. As in the past, we shall participate in their negotiation. We shall similarly approach negotiations on this common fund itself in a positive spirit, and the Canadian Government has pledged our proper share of the financial contributions to the fund, after viable arrangements have been agreed.

As evidence of another "new" approach, some of the countries participating in the CIEC have agreed to a specific form of debt relief. Canada is one of these. Again, specific action has been taken to respond to the declared needs of a particular group of LDCs. Canada has participated in past debt negotiations. We should welcome a generalized consensus view that a shared adherence to principles, coupled with better, stronger arrangements, would provide the best guarantee for positive international response to this kind of difficulty.

Another new step has been taken to help Africa. The inadequate infrastructure of the African continent has, of course, been a subject of concern and a focus of development efforts for some time now. Within this conference, we have all agreed to make a more systematic effort to concert our approach and to mobilize new efforts. The Canadian Government expects to spend approximately \$140 million on African infrastructure projects in 1977-78, including transport and communications, an amount that does not include the substantial contributions to agriculture and rural development. We endorse the idea of a decade for African transport and communications that would be aimed at the broad infrastructure needs of the African continent.

The last milestone I have identified is perhaps the most important — it was the *raison d'être* for this conference. For the first time, the energy dimension has taken its rightful place in the international dialogue on important economic questions. We are able to express our satisfaction with what the CIEC has already achieved:

- a) increased understanding of the nature of the energy challenge;
- b) agreement on the need to initiate and reinforce efforts on additional and alternative energy sources;
- c) agreement on the need to co-operate in avoiding unnecessary economic disruption;
- d) appreciation that increased flows of capital from international financial institutions, especially the World Bank, would help energy development in oil-importing LDCs.

I might add that Canada will contribute its full share to any increased IBRD capitalization that will be required for these efforts.

I have seen, and welcome, evidence, in the oil market over the course of the CIEC on growing sensitivity on all sides to the need for such mutual confidence. Much remains to be achieved if serious economic dislocations are to be avoided in succeeding decades. It is for this reason that proposals have been made for a forum for continuing the energy dialogue after the CIEC. The Canadian Government wholeheartedly supports this notion as one that will benefit the whole economic community.

These are the milestones the CIEC can already claim as key achievements. They justify our efforts and, to a good extent, our hopes for the conference. All hopes that all participants bring to conferences cannot be met. I have a certain sympathy for some of the expressions of frustrated hopes I know we shall hear today. Let me very briefly tell you some of our unmet hopes — perhaps best seen as the milestones that might be met in the concluding hours of the CIEC or during future meetings. We hope that the reluctance, and sometimes refusal, to talk about developing-country responsibilities will disappear from our dialogue. This serves to weaken our own efforts to mobilize popular support for development issues. Three aspects are relevant. First, there are the steps developing countries must take to help themselves, and I am convinced that debate on these matters can be said to infringe national sovereignty only in the same way that the discussion of developed-country resources and policies are impinged upon by their discussion. Next, we would like to see more attention focused on the responsibilities that developing countries, particularly those with strong positive revenue positions, must accept for the welfare of other developing countries. We all need their inclusion in the international efforts that must be made, though we accept the larger part of responsibility for ourselves. Third, we should like to see more agreement on the responsibilities that developing countries should have for the smooth functioning of the international system; willingness to set priorities among the manifold demands for international action; acceptance of the principle that commodity arrangements must allow for both producer and consumer participation; the need for creating economic climates to speed effective investment and the flow of funds for development. I should also include LDCs undertaking commitments consistent with their development stages to participate in the MTN, to contribute to grain stocks and to strengthen other international arrangements. As I said, these are perhaps the milestones for the future.

Politics and diplomacy have long been defined as "the art of the possible". A Canadian historian, seeking to define the Canadian spirit, suggested that it was "this sound sense of the possible". It is in that perspective that I should like to bring these remarks to a close, suggesting that the CIEC has reinforced two very basic home truths in the general theme of the interdependence of the world community. The first is that our fundamental priority must be the re-establishment to full health of the international economy. All countries stand to benefit, and all have a responsibility. This is far from the "trickle-down theory" that developing countries will benefit from increased exchange between the developed countries. Rather, it is the realization that the international financial system, the international trade system and our own economies

all demand fundamental strengthening if their capacity to be engines for development in other countries is not to be impaired. The second basic and related truth is that changes needed in these systems have already begun, sometimes structural and painful. We are aware that developing countries will seek massive resource transfers, and sometimes radical change, in the trade and monetary system. We hope that developing countries, in turn, are fully aware of our concern for the fragility of the system, the consequences of arbitrary or capricious public interference in economic markets and, above all, the consequences of energy supply and price for the futures of our countries. It is now our task to complete this work of fundamental importance to the future of our world.

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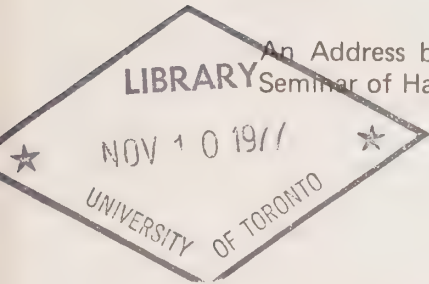


Statements and Speeches

No. 77/12

CANADA AND UN RESOLUTIONS CONCERNING ISRAEL AND THE MIDDLE EAST

An Address by Mr. Fernand Leblanc, M.P., to the Eighth National Public Affairs Seminar of Hadassah-WIZO, Montreal, June 15, 1977.



* * * *

The subject of Canada's voting record on UN resolutions is, of course, as I fully appreciate, of lively concern to this audience. I am all the more pleased to be examining this subject with you today as there is always a danger that our votes on specific complex UN resolutions, often procedural in nature, will be misinterpreted — or rather overinterpreted — as meaning more than they really do. Let us be clear from the start that Canada's basic policy has not changed and will not change; those who add up the *minutiae* and cry "tilt" are mistaken.

Perhaps I should first outline Canada's policy towards the Arab-Israeli conflict — a policy that seeks, as you know, to consider the issues on their merits without automatically espousing the position of either party. As well, it is our policy to support the search for all available means to arrive at an early negotiated settlement that will put an end to 30 years of bloodshed, satisfy the legitimate concerns of all the parties and provide the surest guarantee for Israel's future security, which is a fundamental requirement. We recognize, of course, that Canada is not a prime mover in the Middle East. What we do or say may be helpful or unhelpful, but our influence is necessarily limited. We do not have the power to shape events.

Canadian policy towards the Middle East

For years the substance of our policy towards the Middle East has comprised two basic elements: upholding the right of existence of all states of the Middle East, including Israel, to a sovereign and independent existence, and the carrying-out of our peacekeeping role consistent with an objective and balanced approach towards the various issues arising out of the Middle East dispute. More recently, we have recognized, in addition, that the Palestinian people have legitimate aspirations, which require a political solution. Finally, the Government is determined to put new efforts into strengthening relations with all the states of the region, and to do so, wherever possible, independently of the vicissitudes of the Arab-Israeli dispute.

We are keenly aware that there are two sides to the Arab-Israeli dispute, and that it is Israel, on the one hand, and its Arab neighbours, on the other, whose concerns and vital interests must be satisfied. Hence our support for a peace settlement that will safeguard the sovereignty and independence of both Israel and its neighbours and will be seen by them to do so.

Canada's support for Israel is of long standing. It was manifest in our early recognition of the state of Israel, proclaimed after passage of the UN partition resolution in

1947. It was demonstrated again by Lester B. Pearson's concern in the early years of the fledgling state. It helps to explain our active participation in the drafting of Security Council Resolution 242 of November 1967. It inspires us today to contribute to diplomatic efforts to encourage the parties to initiate early negotiations towards a settlement. We fully subscribe to President Carter's statement of March 16, 1977, at the Town Hall of Clinton, Massachusetts, when he said: "The first prerequisite of a lasting peace is the recognition of Israel by her neighbours; Israel's right to exist; Israel's right to exist permanently; Israel's right to exist in peace". Certainly a lasting peace can do no less, as it can do no less than to find a negotiated solution to the plight of the Arab Palestinian people, over one million of whom remain today in United Nations refugee camps. This dual concern lies at the heart of our policy, and we fully support President Carter's current efforts to address the principal issues of this conflict in a manner at once comprehensive, humane and realistic.

Security Council Resolution 242 remains the only framework for a Middle East peace conference agreed to by all the states immediately concerned: establishment of a just and lasting peace in the Middle East; termination of the state of belligerency; sovereignty, territorial integrity and political independence of every state in the area; secure and recognized boundaries; a just solution for the Palestinian refugees; non-acquisition of territory by war. We fully support Resolution 242 in all its parts, one of which is the call for a just settlement of the Palestinian refugee problem. For Canada, this means a just political as well as humanitarian solution, to be negotiated at future peace talks. While we fully support 242, we also recognize that there are other elements necessary to a settlement that are not fully defined in that resolution — the nature of the peace, what should constitute a just settlement to the refugee problem. There may also be a place in a settlement for factors that are not mentioned in Resolution 242 at all as long as they are consistent with its goals and principles and can be agreed to between the parties concerned.

Canada's approach towards the Arab-Israeli dispute is neither one-sided, as some believe, nor indifferent or detached. Our attitude fully recognizes the tragedy recognized by Israel's founder and first President, Chaim Weizman, who described the dispute as one between two peoples, each with right on its side. It is this humanitarian perspective of the great Jewish statesman, scientist and political philosopher in which, it seems to me, lie the seeds of a just and permanent peace for the region. For each side, it implies the imperative for compromise so that these two rights may be accommodated within a peace settlement that will stand the test of time and, incidentally, will provide Israel with security beyond that offered by mere geographical advantages in a climate of hostility.

Some critics have recently regretted the trend in Canada's voting record at the UN on resolutions concerning Israel and the Middle East. According to these views, Canada, from 1973 onwards, drifted away from voting in support of Israel in favour of joining the West European countries in abstaining on controversial resolutions concerning Israel and the Middle East. In so doing, it was argued, Canada was becoming part of a process that, whatever its guise and motive, is consciously aimed at the delegitimization of Israel and has already led to the erosion of Israel's inter-

national position. However, the same critics have recognized that Canada's votes were usually favourable to Israel. This conclusion was echoed recently before a Montreal audience by the Israeli Ambassador to Canada.

Let us now consider the record more closely. Canada's support of Israel at the UN has been consistent with the principles expressed in Resolution 242. We have done so not in a spirit of "Israel right or wrong" — an approach that would surely erode the moral basis of our action — but in a manner that takes into account three determining factors: the substance or content of each resolution; the context in which the resolution is put forward; and, finally, the effect we think the Canadian vote and explanation of vote might have, both on the situation in the region and on our relations with other countries.

My objective, therefore, today is to review the whys and wherefores of the Government's voting decisions on a few of the most substantive resolutions on the Middle East before the last United Nations General Assembly and the UNESCO General Conference.

On many of these issues we took positions that were in accord with Israel's point of view: we have voted against all resolutions we considered linked to the notion that Zionism is a form of racism. We have also voted against resolutions that singled out Israel for unjustified attack or condemned Israel on the basis of unsubstantiated allegations, or sought to substitute some basis for a settlement other than Security Council Resolution 242. There have been other resolutions on Middle East questions, moderate in tone and language and, we felt, constructive in substance, that we felt able to support. On others we have abstained, where we considered abstention would best reflect the Canadian attitude towards resolutions that contained acceptable elements as well as elements with which we did not agree. On all our votes, whether or not our position was the same as Israel's, we were, in our best judgment, reflecting a basic policy of support for Israel's long-term interests.

The overall voting score-sheet leads to the conclusion that Canada's votes at the UN have been, by and large, consistent with Israel's position — more so, in fact, than those of any other UN member except the United States. Throughout, the positions we have taken have been grounded in our opposition to any attempt to undermine, prejudice or by-pass Security Council Resolutions 242 and 338.

It is sometimes suggested that we pay too much attention to how others will vote — to whether or not we are "in good company", as UN jargon puts it. The record will show that this is not a decisive consideration; we have not been afraid to stand alone, or alone with the United States, on Israel's side when we consider that position to be right. It is certainly true that we do take into account the voting intentions of such other friends of Israel as Britain, the Netherlands, West Germany, the United States and other friendly countries whose support for the right of Israel to exist in peace and security has been as steadfast as our own. It is only common sense, it seems to me, to look at the opinion of our friends, when it appears as if they are taking a different position, so as to make quite sure that we really do think everyone is out of step except Israel, the U.S., one or two other countries and our-

selves on a particular issue. Indeed, as you are aware, there are times when we do not hesitate to vote entirely alone with Israel if we consider this justified.

Two resolutions last year attracted particular attention; first, the resolution (which we supported) deploring Israel's policy of establishing settlements in territories occupied in June 1967; and, secondly, the Egyptian resolution (which we also supported) calling for an early resumption of the Geneva Peace Conference.

In explaining our vote on the resolution concerning the establishment of Israeli settlements in the occupied territories, we referred to a quite separate resolution that set out a timetable for Israeli withdrawal from the territories and a mechanism for turning the West Bank over to the PLO (Palestine Liberation Organization). We voted against that resolution on the grounds that it negated Resolution 242 and would be dictating the terms of a solution that must be settled by negotiations. So too, in our opinion, the establishment of Israeli settlements in the occupied territories amounted to an attempt to predetermine the eventual borders of Israel before negotiations had even begun. We believe that secure and recognized borders can only be secured by negotiations — not by one party staking out its claim ahead of time. Moreover, we were (and are) of the view that these settlements contravene both the Geneva Conventions applicable to territories occupied as a result of armed conflict and Resolution 242, which calls, *inter alia*, for withdrawal from those territories and reaffirms the principle of non-acquisition of territory by war. The settlements, if only because of the extensive infrastructure and financial and human investment that support them, constitute a presumption of permanency, going beyond the temporary security considerations that were initially advanced in their justification.

Another resolution on which our vote attracted some criticism was that sponsored by Egypt, together with a number of other Third World countries, during last December's General Assembly debate on the situation in the Middle East, which called for the early reconvening of the Geneva Peace Conference on the Middle East. We supported that resolution. Some critics thought we should not have done so because it implicitly authorized the Secretary-General to include the PLO in future consultations on the Middle East. We should certainly have preferred an explicit reference to 242 and, if we had drafted the resolution ourselves, there would have been one, if only because Security Council Resolution 338 of 1974 made it clear that the Geneva Conference should use 242 as the framework for negotiations. However, the call for a return to Geneva was one with which we could not possibly disagree. Canada too considers it of cardinal importance to get negotiations started — the sooner the better!

The implicit reference to consultations with the PLO also bothered us, as such references always do. We do not recognize the PLO and we do not see any constructive role for that organization in the negotiating process unless its spokesmen accept the right of Israel to exist and all the principles of Security Council Resolution 242. Had this resolution insisted that the PLO participate in the Geneva Conference as sole representative of the Palestinian people and without also insisting that they be committed to peace with Israel based on the principles of Resolution 242, we could not have supported it.

We do believe that the Palestinian people should be represented in any discussions affecting their future, such as a Geneva Conference. In present circumstances, the PLO does speak for a significant element among the Palestinian people. It is, in fact, the only organization now in being that claims to represent the Palestinian people as a whole. The chief obstacle to the inclusion of the PLO in the peace process is that they remain dedicated in their formal position to the elimination of Israel and reject Security Council Resolution 242. This hardly means that they should not be spoken to at all or that the Secretary-General was wrong to include the PLO in his consultations, or that we should vote against an otherwise satisfactory resolution because it envisaged that he would do so again. How else can we hope to get the PLO or some successor organization to change their policy but by involving them at least in some part of a consultative process? They will not disappear if we simply try to pretend they don't exist.

I should like, in closing, to mention also our vote against the resolution on the rights of the Palestinians. We regarded this resolution, which laid down a timetable for the implementation of so-called "inalienable rights of the Palestinian people", as seriously prejudging, and as an obvious attempt to influence unilaterally, the outcome of future Middle East negotiations. Consequently we opposed it. Thus, in this rather more typical instance, we not only took the same position as Israel but our reasons for doing so served to illustrate some important aspects of our policy.

Conclusion

May I now reiterate what is already so obvious and clearly demonstrated since the founding of the state of Israel? Among Canadians generally, as within the Government of Canada, Israel's right to an independent future is fully accepted and supported. There is a strong basis for this support. This is not to say that the Canadian perception of the tragic Arab-Israeli conflict is identical either with the Israeli perception or with the perception of Israel's Arab neighbours. Perhaps 20 years of Middle East peacekeeping responsibilities entitle us to certain views of our own on this subject. Those views have been and remain securely grounded in Resolution 242, to which Israel has also subscribed. We remain convinced that, with good will on all sides, the stage is set for peace with security and peace with justice and that Israel, which sets for all of us an example in democracy, dynamism and sacrifice, can achieve before the end of this decade what it has fought for so hard and so long and at such terrible cost.

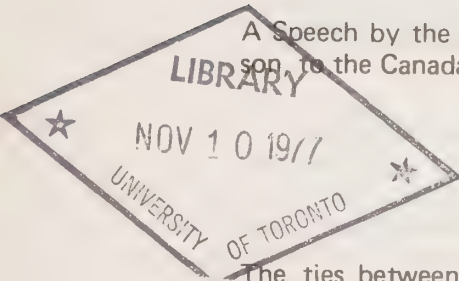


Statements and Speeches

No. 77/13

CANADA AFTER ONE HUNDRED AND TEN YEARS

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Canada Club, London, June 30, 1977.



* * * *

The ties between Britain and Canada are centuries old and abiding. Although our historic relationship manifests itself in many ways, I continue to feel that our most priceless inheritance from Britain is our parliamentary democracy and everything it represents.

I had some difficulty choosing a topic to discuss with you today. These are exciting days for Canada and I know your interests are wide-ranging. I decided, therefore, that, in view of my ministerial responsibilities, I should touch on a number of aspects of Canadian foreign policy against the background of certain recent domestic and international events, thus providing, I hope, some conception of Canada today and of our outlook on the world.

In a few hours my country — Canada — will begin the celebration of its one-hundred-and-tenth birthday. Appropriately, the festivities will start in my native province — Newfoundland. There the British Empire overseas began in 1583 and there, in 1949, the Canadian dream of "One Nation From Sea to Sea" was realized at last.

This blending of old and new is typical of Canada. It is as old as the most enduring cultures and traditions inherited from Britain and France and enriched over the years by offerings from many lands. And it is as new as the still fresh memories of Canadians who recall when the first plow broke the prairie sod and now-thriving cities were mere outposts on pioneer wagon-trails.

Tomorrow, as the sounds of celebration move westward from Newfoundland, the summer sun will illuminate a vast, rich, diverse and still challenging land. As we Canadians look back over 110 years, we can take satisfaction from our mastery of one of the world's largest land-masses and longest coastlines. We can be proud of our economic achievements, which have given us a high living standard, enabled us to contribute significantly to all fields of human endeavour and to play our part in the world's search for peace, security and freedom.

Thus, tomorrow, the vast majority of Canadians of all backgrounds and regions will conclude that it has all been very much worth while; but there will be no smugness or complacency in such a judgment. What we have been able to do in our first 110 years serves as a reminder that we can, and must, do better. In many respects, Canada remains an unfinished country and we are, as one of our writers has put it, "Canadians in the making". In our first century, we established a unique new society, not just a pale copy of something older and alien but distinctive and identifiably Canadian.

As time has widened the distances between us and our colonial beginnings, as we have added dimensions to our national purpose, as our confidence has grown, the discussions among us about the kind of Canada we want has become more intense and, not surprisingly, on occasion more divisive.

Canadians are almost self-consciously aware of their rare good fortune in a troubled world. Frequently we feel concern, even guilt, over the manner in which we are managing our rich resources. On our half of the North American continent, a wide range of circumstances has contrived to offer us more options than most; we are free to choose, and such choices are often difficult. What is the appropriate balance between a consuming and conserving society, between the thrust towards greater affluence and materialism and the search for a rational "life-style" more in harmony with our surroundings and more respectful of environmental and similar values? On which side should Canada come down in the intensifying debate between the advocates of ever more growth and those who maintain that "small is beautiful"?

For some countries — the majority perhaps — such questions are largely academic. Mistakes compounded over centuries or a sparseness of resources or seemingly intractable poverty virtually dictate the paths they must follow. Not so in Canada. We are increasingly aware that, if we so choose, our first 110 years can be a mere prelude to greatness of a special kind, not built solely on wealth and power but on the conception of a more generous, tolerant and well-balanced society, sensitive to the rights and aspirations of all its people and committed to an understanding and constructive role in the world community. Although Canadians continue to debate these issues, a broadly-based consensus is emerging.

In world affairs, it is one that rejects narrow nationalism while insisting on Canada's right to full economic and political self-determination. For example, the very qualities that we inherited from Britain made it mandatory that we achieve full independence; but, having done so, we are today among the strongest supporters of the Commonwealth and have worked hard to enhance its relevancy and effectiveness. The most recent meeting of Commonwealth leaders demonstrated our commitment once again. Similarly, because ours is a country owing much to our French as well as our British heritage, we are constantly strengthening our relations with the world's French-speaking peoples and particularly, as in the Commonwealth, with developing countries. Canadian aid programs overseas are carefully designed to answer the self-determined needs and aspirations of the most-deprived nations. They are devoid of ideologically self-serving overtones, on the grounds that we cannot impose on others restrictions that we could not accept ourselves. By example, however, Canada has gained considerable acceptance and respect in the Third World and is thus in a position to exert a reasonable and legitimate influence on how this potentially-powerful force will be employed in the shaping of events.

Just as imperialistic pretensions of any kind are wholly foreign to the Canadian character, we cannot accept either any enforced restriction of human rights or any doctrine that serves to perpetuate racial inequalities. The Canadian record at the United Nations and other organizations is one of consistent support for every effort to curb tyranny and oppression and to enhance individual freedoms. No Canadian

Government could do otherwise, because the Canadian people share a unanimous repugnance to all forms of subjugation. Furthermore, if we and like-minded countries are to be credible in our efforts in such areas as southern Africa and at the Belgrade Conference, our utterances and our actions must be consistent.

Our acceptance of our share of responsibility for the future of the developing world is an extension of our long-established outward-looking foreign policy. Canadians have always recognized the interdependence of the global community. At first we willingly supported the democratic struggles of Britain and other free-world countries, as our record in two World Wars clearly shows. Today Canada chooses quite independently to support alliances such as NATO out of a firm belief in the continuing need for mutual security. Also, the Canadian search for a distinctive identity has defined special roles, such as United Nations peace-keeping, which our position and capabilities enable us to perform effectively.

We have no delusions of grandeur about our role in world affairs; we are not a super-power and there are limits to what we can accomplish; but we are seeing with increasing clarity where Canada fits in the international scheme of things. We have defined priorities and evolved policies that, while sufficiently flexible to meet the demands of fast-changing events, give us, nevertheless, a clear sense of direction and allow us to make the best use of those strengths we possess.

Central to our policy formulation is the fact that the United States is our closest neighbour. Much has been written and said about Canada-U.S. relations and Canada has been depicted as everything from a satellite of the Americans to an excessively jingoistic country preoccupied with sterile efforts to pull the eagle's tail-feathers. Neither assessment, of course, bears any resemblance to reality.

On balance, Canada-U.S. relations have never been better than they are today, despite the unprecedented complexity of many transborder issues, such as energy and trade. This satisfactory condition is due in large part to the growing clarity with which Canadians are defining and articulating their national objectives and to an increasing American willingness to understand these goals, and to accommodate them where possible. And, of course, there is the inescapable reality that Canada and the United States need each other now more than ever.

We are each other's largest trading partner, with Canada sending between 60 and 70 per cent of its exports to the United States. President Carter's energy strategy would be easier to implement if there were Canadian co-operation, particularly in terms of bringing Alaskan natural gas by a cross-Canada pipeline to the United States. The difficult decisions on this issue must be made by Canada this summer. On this question, as on all others, we have no wish to be dog-in-the-manger in our response to American needs. We have emphasized repeatedly, however, that the first and principal test of Canadian decisions must be that they are in the Canadian interest. That is why, in recent years, we have moved to strengthen our cultural sovereignty and to assess all new foreign investment against the basic criterion of "significant benefit to Canada".

Foreign control of the Canadian economy is in many respects our most important

on-going problem and, while our concern extends equally to foreign investment from all countries, the pattern of our development has meant, inevitably, a very large infusion of American investment capital and thus the domination from outside of several key sectors of our economy. We have recognized the futility of attempting to buy back the past and we are equally conscious of our continuing need for large amounts of foreign capital. We are determined, therefore, to preserve Canada's reputation as an attractive country for investment and to administer our rules even-handedly to all interested parties abroad. By applying the sole test of benefit to Canada in our screening process, we are succeeding in increasing the degree of Canadian participation in various undertakings without slowing seriously the needed flow of foreign capital or making our requirements unreasonably burdensome.

I have stressed that Canada's foreign-investment policy treats all countries equally. I do so because, while our relations with the United States must be regarded as unique in many respects, and for obvious reasons, Canada is now committed to the expansion and strengthening of its economic and political ties with all countries and with those new groupings of nations, such as the European Economic Community, which are having such a profound effect on traditional patterns of international relations.

We fully understand Britain's motives in joining the Community, but the result has been a rapid acceleration of the rate of change in long-established Canadian-Britain trading relations. For this and other reasons, we have sought and obtained a "contractual link" with the Community as a whole in recognition of the practical need for a mutually-beneficial arrangement and of the Canadian wish for broadened international ties.

This new emphasis on the Community need not be at the expense of our long-standing friendship with its individual member countries; indeed, there is a new vitality in our relations with our two mother countries — Britain and France. Cultural and other exchanges between us are growing, reflecting a new spirit of maturity and equality. We are partners, along with others, in shared efforts to improve the human condition and create wider avenues of communication between East and West and between potential adversaries everywhere.

In Canada's view, no part of this effort to reduce world tensions is more urgent than the need to curb nuclear proliferation. We are a major supplier of uranium and nuclear technology for peaceful purposes. We have a responsibility, therefore, to make every effort to achieve a strong international safeguards régime. Canada has accepted that responsibility and over the years has developed an ever-more-comprehensive policy governing the sale and export of all nuclear materials and technology. Today we are in advance of all other countries in this regard, and we are encouraged by the steps others are taking towards a global consensus. It is a formidable task and there are still legitimate differences even among countries fully committed to the principle of non-proliferation. Canada shared in and supports fully the decision taken at the recent summit meeting here in London to study fully all of the implications of nuclear technology, and particularly such contentious issues as reprocessing and the emerging trend towards a so-called "plutonium economy". The current oil crisis and the shock waves it has created make it imperative that we explore all energy

alternatives. Canada believes, however, that the nuclear option, while an essential element in the world energy strategy, should only be exploited under the strictest possible international controls and by methods generally agreed upon as the safest that can be devised.

The Canadian role in the present international nuclear discussions is illustrative of how Canadian foreign policy is being shaped to reflect Canadian interests and to exert our influence in those fields where, quite clearly, we have a major role to play. Another example is the United Nations Law of the Sea Conference, where Canada is playing a pivotal part and where, very often, our national interests are on all fours with global objectives. Europeans tend very naturally to think of Canada primarily in terms of North Atlantic regional issues. But we are a Pacific power also, and increasingly we are emphasizing our economic and political association with "Pacific Rim" countries and our support for such organizations as the Association of South-east Asian Nations. We have moved also to strengthen Canadian ties with Latin America through aid to its poorer countries and trade with its emerging powers.

Canada's unshakable commitment to democratic principles needs no defence. We have long felt, however, that the cause of world peace and security is best served by keeping open and widening the channels of communication to those who espouse different political ideologies, specifically the Soviet Union, the People's Republic of China and other Communist countries. Since, like all democracies, we must sometimes take issue with certain policies of these countries, far better that we do so fully, frankly and face to face. Canada, therefore, supports in appropriate ways all efforts to strengthen *détente* and is actively pursuing the liberalization of trade with the Soviet bloc and China.

It has been said that foreign policy is simply an extension abroad of a country's domestic objectives. While this is, in some respects, an oversimplification, Canada's foreign policy, in fact, is a true reflection of the interests and concerns of Canadians generally. Our growing involvement in international affairs is an indication of our increasing maturity, and our awareness that we can only develop and enjoy the Canadian potential in a world that is stable and secure. Thus there is a frankly-acknowledged element of self-preservation in much that we do.

But we have never been afraid of such frankness or of legitimate compromise, for without it there would be no Canada. Our 110-year history is made up of a series of concessions and accommodations that one group or region has been prepared to make to another. This flexibility, based on tolerance and understanding, has been the key to the survival and growth of our Canadian Confederation. Today, we are discovering as we have many times before, the need for a rededication to national unity. On this one-hundred-and-tenth birthday, Canadian pride in the unique arrangement we have forged between two founding peoples is tempered by a growing concern that, after more than a century of survival, our special brand of federalism is threatened by the re-emergence of long-smouldering divisive issues.

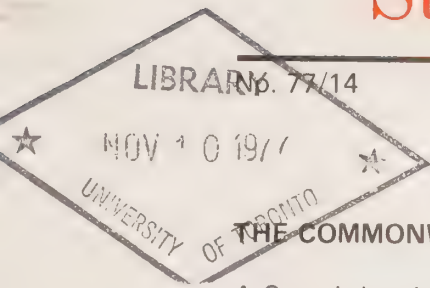
Fortunately, most Canadians, whatever their origins, are alert to the danger and share a common determination to take the steps necessary to preserve a united Canada. Our

confidence comes not only from this traditional willingness to adapt to changing circumstance or from practical necessity, as good and valid a reason as this can be. Canada will survive because of its people's innate sense of fairness and their willingness to recognize and correct matters when any group's basic rights are not being fully recognized. And over all, there is a deep-seated, though infrequently-articulated, sense of Canadian nationhood, embracing all Canadians in every region, which is stronger than the tensions, prejudices, and even physical distances, that have a natural tendency to divide.

No country has an inalienable right to exist if its people choose otherwise. History is strewn with the wrecks of nations falsely convinced of their immortality. But if a country as lavishly endowed as Canada cannot survive, then we must truly despair for the fate of less-fortunate lands. Such despair is not warranted. On this Canadian birthday, the traditional wish that there may be many more is coupled with my unshakable conviction and my determination that there shall be.



Statements and Speeches



THE COMMONWEALTH AND WORLD SECURITY

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Commonwealth Parliamentary Association, Ottawa, September 20, 1977.

* * * *

This morning I have been asked to speak briefly on the Commonwealth and international security. In the postwar world, global security has become an increasingly complex matter. It is no longer solely a question of vast military forces facing each other in a more or less static posture of wary watchfulness. Bipolarity and the balance of terror founded upon the deep apprehension of a short, massively-destructive, global nuclear holocaust have given way in the era of *détente* and interdependence to a much more complicated and subtle global situation — a situation of perhaps greater security in the relationship of the super-powers but with perhaps a greater variety of no-less-serious international problems. Nuclear proliferation, the continuing development of more awesome weaponry and the emergence of many local conflict situations still challenge our diplomatic skills and threaten the well-being — even the survival — of all of us. The confrontations that remain unresolved in areas like the Middle East and southern Africa represent potential flashpoints of international conflict, with the omnipresent danger of escalation. By a constructive contribution to eliminating such potential triggers of international conflict, the Commonwealth can strengthen global security.

At the same time, security can no longer be conceived in exclusively military terms. Economic security, in terms of access to raw materials and energy resources, as well as in terms of the distribution of the world's wealth and the striving of less-developed nations for a reasonable standard of living, has become a leading issue in international affairs.

As a group of sovereign nations, the Commonwealth, for reasons too familiar to enumerate here, occupies a unique place in the world. Membership in it confers undoubted advantages but it also imposes obligations and I shall refer to both this morning. An effective Commonwealth contribution on many fronts to political, economic and social progress and understanding can lead us to a more stable and secure world.

No one who reviews the history of the Commonwealth can fail to be impressed with the resilience it has demonstrated in the course of its evolution from a colonial empire to the free association of states it now comprises. This evolution was manifestly evident at the London meeting last June where 33 heads of government or their representatives met to confront some of the most pressing questions affecting the security of our world. That distinguished gathering of leaders collectively represented almost one billion of the world's population from all corners of the globe. In this respect, the Commonwealth is a reflection of our world, and as such cannot fail to be con-

cerned with the full range of pressing international issues of our times.

At the London meeting of heads of government, four basic themes predominated: (1) liberation in southern Africa; (2) the restructuring of world economic relations, or the New International Economic Order, as it is known; (3) the more positive commitment of the Commonwealth to the world community; and connected with this, (4) a clearer engagement on the part of the Commonwealth to finding solutions that will enhance the economic and social progress of its members.

The problems that exist in southern Africa are all closely intertwined. In South Africa the outrageous doctrine of *apartheid* continues to offend the conscience of the world. Until this wrong is righted, and justice and equality prevail, as they must, we must strive for its eradication, both because that is right and because the conflicts that it engenders work their harm upon other regions.

We are all of us only too familiar with the situation in Rhodesia, where a minority regime now in power and supported by South Africa seems resolved to rule or ruin the state. None of us can condone continued intransigence and denial of majority rule by the Smith regime in Rhodesia. The longer this situation prevails the less are the chances of a peaceful, negotiated settlement and the greater the prospect of escalating violence. By continued pressure and continued negotiation, we must seek a peaceful solution. We in Canada shall continue to support the current efforts by Britain and the United States to achieve a lasting, peaceful solution.

The existence of the Smith regime depends heavily upon external support. The Commonwealth Sanctions Committee, formed to monitor sanctions applied as a result of United Nations action, has reported "massive evasions", which enable the Smith regime to sustain itself. We hope that all states will take the necessary measures to respect the UN's decision on sanctions with respect to Rhodesia.

The problem of Rhodesia has imposed substantial burdens on the Commonwealth front-line states of Botswana and Zambia, as well as on Mozambique. These include large numbers of refugees, severe economic constraints caused by the closure of crucial rail facilities, as well as direct military clashes. The Commonwealth has here made a direct and necessary contribution of multilateral assistance through the Special Commonwealth Program for the people of Zimbabwe and the Commonwealth Fund for Mozambique.

In Namibia, Canada and the other Western members of the Security Council have been trying, through discussions with all interested parties, to facilitate a solution to end South Africa's illegal presence there. The Commonwealth recognizes the right of all the people of Namibia to participate in achieving self-determination and true independence for their country. Major problems on this path continue to exist, but we hope that the continuing efforts to find a peaceful solution will be successful in the not-too-distant future. In the meantime, assistance has been provided to the people of Namibia through the Commonwealth Fund for Technical Co-operation.

These African problems are more than Commonwealth problems, but the Commonwealth has played its part to encourage their resolution and thereby to improve the international atmosphere and hence our security. I invite all of you to encourage further support for the Commonwealth undertakings I have mentioned by the parliaments and nations you represent.

Another major issue discussed at the heads-of-government meeting in London was the so-called "North-South dialogue" and the restructuring of global economic relations. To put the matter bluntly, it is the question of rich and poor, of poverty and inequality — in short, of economic security. In this respect, the Commonwealth is more than just a reflection of the rest of the world. Eighty-nine per cent of the Commonwealth's people are from developing countries, and these represent 44 per cent of the population of the entire developing world. Eighty per cent of those people in the world who earn annual incomes of less than \$200 (the absolute poor) exist (for that is all it can be called) in the Commonwealth. It is clear that all of us in the developed nations, both within and without the Commonwealth, must be prepared to do our share to reverse the trend towards growing economic disparity in the world. Unless we can move rapidly beyond the stage of vigorous debate to practical measures to overcome this trend, economic insecurity may become perpetual and violent reaction, confrontation and conflict inevitable.

We have the resources for this effort; we must now marshal them effectively. Security from the oppression of grinding want and despair of the many is a goal to which all must contribute if we are not to imperil the security of all.

There must be a recognition by all of us of the importance of continuing in a constructive way the dialogue between the developed and the developing countries. This was fundamental to the discussions in London of all the issues arising in the context of the world economic situation. Of course this dialogue is only one step forward on a very long road, but it is an important step, in which we can take some satisfaction.

I think that we can say in all honesty that real progress has been made and that the contribution of the Commonwealth to this dialogue has been a positive one through formal and informal contacts, and through the work of the MacIntyre Group.

There have been concrete measures of progress since the 1975 heads-of-government meeting in Jamaica — for example, the Fifth IDA (International Development Association) Replenishment of over \$8 billion and the achievement of a \$1-billion target for the establishment of an International Fund for Agricultural Development. In other areas, a package of reform measures for the International Monetary Fund was approved in Jamaica last year and their application is now under way. Further consultation on energy between industrialized, OPEC (the Organization of Petroleum-Exporting Countries) and developing countries should deepen understanding of how we must work together for our mutual benefit.

Most recently, the Conference on International Economic Co-operation (CIEC) has agreed on positive measures to aid economic development: a special action program to assist the poorest developing countries; endorsement of an emergency grain reserve;

agreement that there should be a common fund to assist in the stabilization of commodity prices. All these represent distinct steps forward. I might mention Canada's own contribution to the special action program — that is, our cancellation of development-assistance loans to least-developed countries, which covers loans amounting to more than \$160 million to Commonwealth countries in Asia and Africa.

The Commonwealth finance ministers are currently meeting in Barbados. A number of the key financial aspects of economic security are being examined at that meeting. The report of the Commonwealth Group of Experts, *Toward a New International Economic Order*, was given support by heads of government in London as a significant contribution to understanding of North-South issues. Now the finance ministers are looking at how best it should be followed up. The regular meetings of Commonwealth finance ministers provide a useful forum for a frank and free exchange of views on several aspects of the "North-South dialogue".

Next week, at the United Nations in New York, I shall, in a broader context, set out my views and concerns on the effectiveness of the UN system and particularly on the future of the North-South dialogue in the post-CIEC period. What is necessary now is full and rapid implementation of the agreements at [the] CIEC, on issues such as development assistance, special action, a common fund and energy-conservation and -diversification. The disagreements at [the] CIEC on, for example, indebtedness of developing countries and on purchasing power of raw materials and energy resources, are areas that will require intensified work in the coming months to reach a meeting of minds on how to tackle these important problems.

Obviously, there are many steps still to take in what is a long journey. There will be those who feel that the progress that has been made has been too slow and tentative and who will call for radical changes in the world trade and monetary systems and massive resource transfers beyond those yet achieved. I would say let us move rapidly but certainly. We cannot strengthen the world's economy unless our own economies are sound. Inflation, unemployment and scarce resources are general problems, which we must combat at home in order to help abroad.

We must avoid extreme demands from developing countries, as well as reactionary responses in the developed nations, if we are to achieve our objectives. I believe there is a middle way. And we as parliamentarians must help to seek it out. In the long run, our own future prosperity and economic security will depend on ensuring that the developing world moves towards a more prosperous state.

Turning briefly to the theme of the Commonwealth's more positive commitment to the world community, I would underline the special advantages enjoyed by this, our association. We in the Commonwealth have common institutions and a common language that simplify communication between us and imply co-operation beyond the confines of the Commonwealth itself. The Commonwealth has, as I have suggested earlier, played a useful role in Africa and in the field of international economic co-operation. Delegations from our various countries have co-operated effectively in a variety of international forums, such as the Law of the Sea Conference, and we look forward to continued consultation and collaboration in the future.

We in Canada have been gratified by the closer links being forged between the Commonwealth Secretariat and l'Agence de coopération culturelle et technique. As you will appreciate, we in this country see both organizations as important channels for giving expression to our dual heritage internationally.

I also wish to take the opportunity to mention the important role played in Commonwealth affairs by a vast number of non-governmental organizations that range from the Commonwealth Foundation to this Association. These are the grass-roots of the Commonwealth. These various organizations encourage people-to-people dialogue in a spirit of mutual respect that fosters a sense of interdependence and common purpose. Involving people at all levels, they bring mutual benefits to our community as a whole. They are multidimensional in character, innovative, flexible, and supplement governmental undertakings. Giving, as they do, a human dimension to the Commonwealth, they are deserving of our support and encouragement.

I now turn briefly to another topic of capital interest to the Commonwealth, and that is the question of human rights. All of us in the Commonwealth share in the heritage of British parliamentary democracy and the rule of law. Respect for the rule of law must be guarded as a cardinal precept for us all. Unfortunately, this precept has not always prevailed and political freedom has on occasion been replaced by arbitrary treatment of citizens or political expediency. But these should be rejected by us all in favour of respect for the rule of an impartial law. We as parliamentarians have a grave responsibility to those we represent to ensure that the most profound respect is given to this principle. The arbitrary loss of freedom by one individual remains a threat to the freedom of all.

The Commonwealth must stand for the political and civil rights of the subject. We might recall that it was our resolute rejection of *apartheid* that forced South Africa to leave the Commonwealth many years ago. Obviously, we in the Commonwealth community are all equal nations and we have a long tradition of non-interference in one another's affairs. However, we cannot take refuge behind this principle when blatant oppression appears within our membership. The current situation in Uganda causes us grave concern and distress in this regard. Commonwealth heads of government took a forthright line on this question in London; we, as parliamentarians, can do no less.

While we cannot expect, perhaps, to achieve perfection in human rights, the Commonwealth must set an example for the world. And our commitment must be universal. We cannot vigorously demand respect for equality and basic rights in one area or state — for example, in southern Africa — unless we demand and apply the same standards everywhere. Our concern cannot be selective in terms of geography or race without undermining the public support we as representatives can count on when forthright statements are required.

But when I speak of human rights I do not restrict myself to political and civil rights. There are, as I have suggested earlier, those economic and social rights, too, which we must respect and strive for — the right to decent housing, enough food, the right to work. If our world remains entrenched in disparities of wealth and poverty, if we

remain deaf to dialogue that alone can lead us forward in a positive way, we cannot hope to make progress.

On a final specific issue, I wish to mention the recent Gleneagles Agreement, by which all our governments have agreed to take practical steps to discourage contact or competition by nationals with sporting organizations, teams, or sportsmen from South Africa or any other country where sports are organized on the basis of race, colour or ethnic origin. I believe [that] this is a reasonable and workable approach to this issue, and that we can be happy with the way in which the Commonwealth's statement on sport has been applied to date by members of the community we represent. I sincerely look forward to seeing full contingents from all your countries at the Commonwealth Games that will take place in Edmonton next year. It is important that our youths meet one another in friendly competition, for it is only on this type of solid basis that we can build the future.

In conclusion, may I wish you well in your deliberations. I commend to all of you a rereading of the "Declaration of Commonwealth Principles" adopted at the heads-of-government meeting in Singapore in 1971. It is an eloquent document, which attests to the high ideals and vitality of the Commonwealth. The membership of the Commonwealth reflects the world, and I would have, in many ways, the world reflects the Commonwealth. The search for global security is continuous. The challenges of security are varied and the threats many. We shall, however, persevere. Let us look to the future with optimism and a commitment to our common purposes. The Commonwealth is unique, and together we can build a more secure and just world.

S/C



Statements and Speeches

No. 77/15

CONFERENCE ON INTERNATIONAL ECONOMIC CO-OPERATION

An Address by the Honourable Allan J. MacEachen, President of the Privy Council, to the Resumed Thirty-first Session of the United Nations General Assembly, New York, September 13, 1977.

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...The General Assembly has before it the report of the Conference on International Economic Co-operation. The CIEC concluded its work in June, and it is now the task of this Assembly, and other international organizations, to make the best of these results. Although I was intimately involved in the work of the CIEC from its inception in December 1975 as one of the co-chairmen, I am speaking today from a Canadian perspective. I want to give you some Canadian views on the outcome of the conference and suggestions on how best we can pursue our work here.

The results of the CIEC represent a mixture of success and failure, of progress and disappointment, for all participants. What is most important, however, is that there was agreement that the conference contributed to a broader understanding of the international economic situation and that the dialogue between developed and developing countries, of which the CIEC was a part, will continue to be pursued actively, here at the United Nations and elsewhere.

In examining the results of the conference, I can see several key areas of agreement where work should be proceeding on implementation, where there should be detailed follow-up to the decisions of principle that were taken.

There was agreement that there should be a common fund, and negotiations on its purposes and operations will be pursued in the coming months under the auspices of UNCTAD (the United Nations Conference on Trade and Development). We want these talks to succeed, and shall work actively towards that end.

Important commitments were made by industrialized countries on the volume and quality of official development assistance. A \$1-billion program of special action to assist the poorest developing countries was established and is already being disbursed. As a part of its contribution to this program, Canada is cancelling over a quarter of a billion dollars in official development-assistance indebtedness of least-developed countries. Progress was made on food security and in bringing the prospect of a 500,000-ton international emergency grain-reserve closer to reality. Canada will play a major part in this effort.

In energy, agreed conclusions were reached on a broad program of national action and international co-operation aimed at transition away from oil and gas towards renewable energy resources, conservation, increased efficiency in the use of energy and the development of new resources. These conclusions acknowledge the interdependence of world energy relations.

We should now build on the areas of agreement here at the United Nations and through various UN agencies, in UNCTAD, at the Multilateral Trade Negotiations, through the International Monetary Fund (IMF) and World Bank, and through the organizations involved in world food production and security. National governments must follow up quickly and fully on their commitments.

On a number of issues that were examined in depth at the CIEC, the end result was disagreement. These included the areas of compensatory financing, purchasing power of raw materials and energy resources, indebtedness of developing countries and adjustment-assistance measures for industrialization. The need for further work in these areas is obvious.

The 18 months of dialogue pointed out quite vividly the differences among countries that exist and will continue to exist on so many important economic issues. These differences will continue because governments will, quite rightly, pursue their political mandates and their national interests in economic policy, and this will lead them in different, and often conflicting, directions.

This is why I believe the dialogue between developed and developing countries must continue to be pursued actively and constructively. The importance of the international forums in which we meet to debate, to consult and to negotiate can be measured by the improved perceptions of governments of the consequences of their pursuit of national interests. If the debate is reasoned, the consultations constructive, and the negotiations of mutual interest, work in international forums will have a positive effect on government policies.

The purpose of this resumed session is to give some guidance to the UN system as to the role its constituent elements should play in following up on the results of the CIEC. The Second Committee, beginning in this resumed session and continuing through the thirty-second session, must get on with this task. It should address itself to the issues on which there was agreement at the CIEC and those on which there was no agreement. It should provide for involvement of existing institutions to the full extent of their capacities, and it should recognize the crucial role to be played by the World Bank, the IMF, UNCTAD and GATT (the General Agreement on Tariffs and Trade).

I want to say a particular word about energy, because it has been a sensitive and important element of the debate at the CIEC and because there is no obvious place within the existing system of international institutions to deal with energy issues. As early as the mid-1980s, world energy supplies are not likely to be adequate to sustain the economic progress all countries desire. There is consensus on the gravity of the energy challenge facing the world community, and on the need for a co-operative response.

We recognize the need for new and reinforced measures for energy-conservation and efficient use, increased efforts to develop additional and alternative energy sources to replace depletable oil and gas, and energy research to develop new and more sustain-

able energy sources, such as solar- or wind-power. We recognize the particular problems of energy-deficient developing countries. They require energy and related financial resources to sustain their economic development. To develop fully the indigenous energy potential of these countries, increased flows of capital from international financial institutions will be necessary, especially from the World Bank. To this same end, international measures to increase energy technical assistance will be required. In the short term, these financial and technical measures should aim at intensifying exploration for oil and gas and the exploitation of untapped alternative energy sources, such as coal and hydroelectric power, in these energy-deficient developing countries.

Our joint efforts to meet the energy challenge have been well launched, but they are incomplete. It will be necessary for countries to work together to bring about the fullest and most efficient development of the earth's energy resources. This resumed session, and the regular session that begins next week, will have to address the question of how best to deal with these issues on a practical and effective basis. Canada, as both a producer and consumer of energy, is prepared to work in co-operation with other countries, and within a broad range of international institutions, towards a smooth transition to an eventual non-hydrocarbon, world energy economy.

The CIEC served to underline the continuing need for structural changes in the international economic system. This challenge will continue and intensify in the monetary, trade and raw material fields. There is, I believe, a clear perception of the need for strong co-operative efforts to meet this challenge. I see increasing evidence of attitudes among governments that acknowledge that change is taking place and that it must continue to do so.

In our future work on issues of international economic and social development, it would be wrong to underestimate the difficulties facing developed countries. In Canada, our people are understandably concerned with domestic economic problems such as unemployment and inflation, problems that directly affect their lives. Governments have to muster public support in difficult economic circumstances for changes and adjustments that will, by their nature, impose additional burdens on our people. This is an important challenge to the leadership of developed countries, and one we must strive to meet.

We shall be aided in meeting this challenge by an atmosphere of understanding. We know that developing countries are impatient for change in the world. They are right to be so. But there must be some recognition, some appreciation of the important and difficult steps that developed countries have taken towards meeting developing-country concerns. Several such steps were taken at the CIEC. They involved difficult decisions by governments. If these steps are not recognized as being positive and as contributing to progress, the political atmosphere in the future may not be conducive to further positive steps. I hope this is borne in mind by all of us here.

The commitment of governments and leaders can be influenced by the atmosphere I have referred to. At the CIEC, the direct and personal involvement of political leaders

from participating countries contributed to both increased awareness on their part of the complexities of the economic problems that confront the international community and the resolution of some of the differences that existed at the end of the conference. We can learn from this experience.

I would underline, in conclusion, that all of us have a common interest in the health of the world economy, especially in reducing unemployment and inflation internationally. Full economic health must be restored and maintained if the international system and the economies of our countries are to increase their capacity to contribute to economic and social development. Restoration of the health of the world economy and greater equity in the international economic system are urgent goals, which, I believe, are compatible. We must all work together to achieve them.



Statements and Speeches

No. 77/16

NATO MINISTERIAL MEETING

A Statement by the Secretary of State for External Affairs, the Honourable Donald Jamieson, London, May 11, 1977.

This is the last occasion we shall have, as ministers of the Alliance, to exchange views on the Belgrade Conference before it opens on June 15. It is not a conference that will involve ministerial participation. That is what is laid down in the Final Act. There has been a Soviet suggestion that it might make sense to involve ministers at some stage. In the end, however, I imagine that the language of the Final Act will stand.

Even if Belgrade is not to be a ministerial conference, it is bound to be a highly political one. It is also a conference on which a good deal of public expectation is focused in many of our countries. It is important, therefore, that we try to distil from our respective preparations some appreciation of how far we have come and where we should be aiming to go.

The conference is not without posing some problems. We are all agreed, I think, that the process that was set in train at Helsinki involves all the 35 participants in their mutual relations. We have tried to avoid putting either Helsinki or its aftermath in the perspective of a bloc-to-bloc relation. On the other hand, we cannot lose sight of the fact that the Final Act is intimately linked to *détente* and derives its justification from it. We are not really concerned about the way in which one Western country implements the provisions of the Final Act in relation to another. But we must be careful not to take that approach at Belgrade. Because, if we do so, the natural inference that will be drawn by the other side is that it does not matter how one Eastern European country implements the provisions of the Final Act in relation to another Eastern European country or, indeed, whether it does so at all. If we allowed that inference to be drawn, we would be giving unwitting support to the Brezhnev doctrine, which argues precisely that the normal standards of international conduct are inapplicable to relations between the socialist states. That is one pitfall, therefore, that we must clearly avoid.

Another pitfall we must avoid is to appear to be placing selective emphasis on the provisions of the Final Act. The Final Act is a balanced document. Indeed, it would appear in retrospect that it contains much more than we might at one time have thought that is troublesome for the other side. To maintain the integrity of the Final Act is, therefore, in our own best interest. It is a fact, nevertheless, that public opinion in our countries does not take an integral view of the Final Act. Its attention is directed selectively to those aspects of the Final Act that it identifies as being the most likely to bring about real change in the East-West relation, if not in the Eastern European situation itself. In Canada, for example, public concern is overwhelmingly focused on human rights and the reunification of families. Obviously, we shall each of us have to be responsive to these public concerns. But we must also be careful not to

give the impression that our preoccupation with certain parts of the Final Act calls into question our equal commitment to all of its provisions.

Above all, it seems to me important that we do not lose sight of the wood for the trees. The Conference on Security and Co-operation in Europe was an important staging point in the *détente* process but it does not, of course, exhaust *détente*. If we agree, as we do, that *détente* is a process, we shall have to be careful how we go about measuring it. Almost certainly, two years is too short a period in which to make judgments about success or failure. In our view, the leaven of Helsinki is working and we must give it time. That is not a prescription for complacency at Belgrade. I do think, however, that we would be wrong to do our sums too precipitately. I also think that we must be careful to conduct our review of what has and what has not been accomplished in such a way as not to impair the prospects for *détente* itself, which remains our ultimate objective.

The key issue in that respect will undoubtedly be that of human rights. I do not think it has come as a surprise to any of us that respect for human rights and fundamental freedoms is deficient in all the countries of Eastern Europe in greater or lesser degree. We all know what happened, almost a decade ago, when one of the governments of Eastern Europe propounded the possibility of "socialism with a human face". We also know that a good part of the doctrinal dispute between the governing Communist parties in Eastern Europe and some of their fraternal parties in Western Europe is precisely about the extent to which Communism and the observance of human rights and fundamental freedoms can be mutually reconciled. For the time being, at any rate, it is fair to assume that most of the governments of Eastern Europe see the human-rights issue as going right to the roots of their social system.

Nevertheless, the human-rights situation in Eastern Europe is not wholly static. It is different today from what it was, say, 20 or even ten years ago. The Final Act is not without exerting an influence on the situation. But there are also other pressures at work and these may be expected to continue as the countries of Eastern Europe come to grips with the problem of managing a modern society. In general, I believe that human rights and fundamental freedoms in Eastern Europe stand a better chance of being observed in an international climate of *détente* than they would if the Soviet Union and the other countries of the area felt their system to be in jeopardy.

What is our best course in these circumstances? It is, I think, to continue to proclaim our own deep commitment to the cause of human rights; to make it clear that the responsibility for ensuring respect for human rights is a responsibility that devolves, in the first instance, on each government on its own territory in accordance with the obligations to which it has freely subscribed; to hold governments to those obligations and to maintain the general right of their own citizens to do so; and, finally, to lay stress, as we did at Helsinki, on the relevance of respect for human rights to "the peace, justice and well-being necessary to ensure the development of friendly relations and co-operation" among the states parties to the Final Act.

The discussion of human rights at Belgrade will be a delicate exercise. There are ex-

pectations we presumably cannot afford to arouse and there are margins of tolerance beyond which we might do more harm than good to the cause of human rights in Eastern Europe. But within those margins we shall be expected to do what we can to give substance to the commitments we collectively undertook at Helsinki. It is we, after all, who introduced the whole human dimension into the Final Act and it remains central to our conception of *détente*.

It is clear that we shall not be going to Belgrade to write another Final Act. The agenda embodied in that document offers us an adequate basis for forward movement. To expand it now would be to put a premium on poor performance. The task of our representatives at Belgrade, as I see it, is to make an objective and dispassionate assessment of how far we have come; to identify the impediments that have stood in the way of more even and more satisfactory progress; and to lay down some guidelines to ensure better performance in the future. The prospect of the Belgrade Conference has already stimulated action in areas where action might not otherwise have been taken and I imagine that, at the end of the day, it will be in our joint interest to provide for a continuation of this multilateral process, if only as an incentive to more faithful implementation.

Of course, even the more faithful implementation of the provisions of the Final Act will not be enough to sustain the momentum of *détente*. The other side tell us that they see *détente* as being irreversible. I am sure that no sane government, in the present conjuncture of forces, would want to have it otherwise. But *détente* will not be irreversible unless it is made irreversible. And it will not be made irreversible unless it is seen as a process that extends well beyond the boundaries of the Final Act.

The attempt is made from time to time to define *détente*. This is useful up to a point, but there is also a danger that to define is to set limits and to set limits is not only to include but to exclude. In the Canadian view, there is no present advantage to us in delimiting *détente* with such sharp precision. We much prefer the very broad definition of *détente* to which we all subscribed in the preamble to the Final Act, which is to overcome distrust and increase confidence.

Many of us have said that *détente* is indivisible. This is because, in the end, confidence is indivisible. The persistent build-up of military capabilities in the Soviet Union is a case in point. We cannot easily reconcile a climate of *détente* with an arms race that shows no signs of abating. Nor can we expect confidence to be established between states in Europe when situations outside Europe are being turned by one of the participating states to its unilateral advantage.

The whole notion of the ideological struggle is another obstacle to *détente*. Sooner or later, it is bound to become intervention in someone's internal affairs. It is not that the notion as such needs to give us grounds for undue concern. Our ideas can stand on their own merits and on the merits of the societies that profess them. But we cannot accept a set of ground-rules by which the ideological struggle waged in one direction is declared outside the bounds of *détente*, whereas the affirmation of our own ideas is condemned, to use Mr. Gromyko's own words, as poisoning the atmosphere and

worsening the political climate.

That is the general perspective in which we in Canada see the Belgrade Conference. It will not be an easy conference. It will be closely followed by our public opinion. It would be a mistake to see it simply as a review conference, because it raises issues that are central to the evolution of the international system. None of us, I believe, see any merit in dealing with those issues in a spirit of polemic or confrontation. It would be idle to look for miracles. The best we can anticipate in present circumstances is probably a renewed commitment to the purposes of the Final Act, with results that, we hope, will benefit not only the East-West relation but ordinary people on both sides of the great divide.



Statements and Speeches

No. 77/17



SUGGESTIONS FOR IMPROVING UN PERFORMANCE

A Speech by the Secretary of State for External Affairs of Canada, the Honourable Don Jamieson, to the Thirty-Second Regular Session of the United Nations General Assembly, New York, September 26, 1977.

* * * *

This year we welcome two new members to the Assembly, the Republic of Djibouti and the Socialist Republic of Vietnam. As a member of the Security Council, Canada was pleased to recommend both countries for membership, and we look forward to working with them in this organization.

Effectiveness in
the UN

Like others who will participate in this debate, I have received much advice on what I should say that might be helpful in solving the many problems we face. It has been a frustrating experience.

I have concluded that I could read my last year's speech again, word for word, and no one would notice the repetition, nor would they care! The sad truth is that every serious issue I and many others raised last year remains unresolved, and some now pose a greater threat to peace and security than they did 12 months ago. It has not been a good year for the United Nations.

Small wonder that our deliberations have so little relevance for our publics back home or for the many millions round the world whom we are committed to help but who have become disillusioned and cynical about our ability to find answers to what are, in many cases, matters of life and death.

I make these judgments with regret. No country has been more consistent than Canada in supporting the principles of the United Nations. We do not have to apologize for our record here or for the attitude of the Canadian people in accepting responsibilities for peacekeeping, for leadership in the "North-South dialogue" and for making a fair contribution to all UN initiatives. Canada and Canadians have earned the right to be heard, and what Canadians are saying is that the performance of the United Nations is not good enough.

Canada does not, of course, exclude itself from all blame for this inadequate record. Like other countries, there are times when we get our priorities mixed and lack the proper sense of urgency in dealing with new or continuing threats to world order and security. Nor am I interested merely in pointing the finger at others for the dubious pleasure of giving vent to my frustrations. I speak as I do because I know that many of you share my views. It is not our sense of commitment that is flagging; no one in his right mind would wilfully project the world towards more bloodshed and potential global conflict. All of us want peace and order in international affairs.

Yet we are trapped in the tangled thickets of history, of fear, suspicion, and ancient deep-seated antagonisms. Self-interest usually prevails over our efforts to define and foster larger, more generous objectives. I am aware of the conviction of many in this organization and elsewhere that this is the reality of international affairs ("the real world" as they call it), that glaring imperfections are a normal and unavoidable part of the human condition and that we must resign ourselves to the mere containment of the most virulent and dangerous manifestations of human greed and irrationality, accepting that the world's fate is to stumble on from one crisis to the next. There are grounds for healthy scepticism, I agree; but in the United Nations that scepticism gives way too often to resignation and to a form of professional cynicism that views all new approaches as yet another example of short-lived idealistic naiveté.

Let me assure you that I am not naive; but I cannot accept, Canada cannot accept, that this organization and its member states are powerless to remove the root causes of those major tensions that now require all of us to live out our lives in the constant shadow of impending disaster.

There is among us another widely-held view that, while any country can light a fire, only the super-powers have the option of either fuelling its flames or putting it out. There is, of course, a key role for the large, wealthy and powerful nations and their actions should not be greeted by automatic mistrust. But for smaller countries to do nothing or adhere blindly and unquestioningly to this or that power bloc is to avoid responsibility and to make a mockery of the United Nations and the opportunity it provides for reasoned, free and open debate.

However awesome the outcome of super-power decision-making and action can be, we must never forget that many of today's flash-points are not of their making. Many smaller countries have shown that they are perfectly capable, entirely on their own, of causing problems for all of us. And such actions are all the more reprehensible when they risk or even invite the escalation of East-West tensions.

If we are to make progress here, there must be an end to the sterile debates of recent years where the outcome is always a foregone conclusion. If the vitality of open debate is not restored to the UN, then increasingly the important decisions affecting the fate of mankind will be made elsewhere and this organization and most of its agencies will wither into insignificance and, eventually, unlamented oblivion.

Lest any consider this too harsh a judgment and too pessimistic a forecast, I ask you to recall objectively the reaction of many of our own publics to UN deliberations and resolutions. My own experience at home and round the world has been bad.

Granted these criticisms are often based on prejudice or ignorance. But we know too that much can and should be done to make the United Nations more effective. I propose to give certain examples as well as suggestions for improvement.

Two of the main issues that will come before us at this session are the Middle East and southern African situations. Last year we passed 20 resolutions on the Middle

East and no fewer than 34 on questions related to southern Africa. To what purpose was all that time and effort, not to mention money, expended? The answer is surely "very little", because many of those resolutions simply expressed moral judgments and were devoid of practical proposals for action. Furthermore, everyone knew they had little, if any, prospect of being implemented. Yet the vast and increasingly expensive machinery of the UN ground on, not only through the 50-odd resolutions I have mentioned but through nearly 200 more, many in the same category and thus predestined to suffer the same fate. Already gathering dust, I suspect, is the 400-page compendium of these resolutions, most echoing almost word for word the deliberations of previous years.

No one should be surprised at the indifference with which the media and public greet their publication. By passing more resolutions, we have succeeded, paradoxically, in ensuring that they receive less, not more, attention. Changing our collective habits will not be easy. We should scrutinize the agenda closely to resist the automatic re-inscription of old items and the addition of less-essential new ones. We should group items so that similar debates will not take place in different committees on closely-related subjects. We should avoid the proliferation of resolutions that express the members' aspirations or objectives but do not contribute in a practical way to achieving them. A few short, precise and practical resolutions will have more impact than the many rambling and ineffective ones we now consider each year.

Security Council

As a member once each decade of the Security Council, Canada has accumulated some experience but also had a chance to take a fresh look at its activities every time we return. So far this year, the Council has debated several significant issues in a sensible, restrained fashion. None of us would claim, however, that it has done much to enhance its position as the UN organ with primary responsibility for the maintenance of international peace and security. Our Secretary-General has wisely warned us of the risk that there may come "a time when the Council is desperately needed and will be found to be too weak to fulfil its responsibilities". The problems arise not because of weaknesses in the Council's structure or powers but rather from a lack of impetus. To give a greater sense of purpose to the Council, the Charter provides for periodic meetings at which members could be represented by a Cabinet member or other specially-designated representative. Remarkably, the Council held the first such meeting in its history at the time of the twenty-fifth anniversary celebrations. This Assembly welcomed the Council's intention to hold further periodic meetings, but none has taken place.

I propose that the Security Council should begin meeting regularly at ministerial level. Fifteen ministers meeting together could give a new sense of life and political purpose to the Council. Instead of following a formal agenda, they could have a free discussion of major issues of international peace and security, based on a special report by the Secretary-General. The meetings should be held in an informal atmosphere, without a small army of advisers, thus allowing the ministers to exchange views informally. Meetings at ministerial level should be held once or twice a year, rather than once every 25 years. The first meeting might well be devoted to finding ways to make the work of the Council more relevant to the major issues of peace and security.

ECOSOC

When I spoke here last year, I suggested that the Economic and Social Council should be given a more significant role. At its spring and summer sessions, the Council considers a bewildering variety of issues. It has even less success in what should be its central task — setting priorities and co-ordinating the work of this family of organizations in the economic, social, cultural, educational health and related fields. My delegation believes the Council should have more frequent and shorter sessions. At each of these it could deal thoroughly with one group of subjects, covering all of its agenda over a two-year period. From time to time the Council should also meet at ministerial level to review major economic or social questions when policy considerations justify participation at this level. In all UN organs, I welcome new practices of informal consultation and negotiations through contact groups that help to turn the UN from a deliberative body into a real negotiating forum.

Specialized Agencies

We must also work for an improvement in the work of the Specialized Agencies. Many of these have a distinguished record. But our method for controlling the system as a whole has been unsatisfactory. We have been good at devising new programs, but less so at identifying ones that are obsolete or at preventing duplication. One result has been an escalation of costs. A few years ago, one of my predecessors complained to the Assembly that the assessed budgets of the UN family of organizations had doubled in ten years. Now they have more than doubled in five. We shall have to ensure that budgets are kept down, and that money is spent only on subjects that have the highest priority.

A second problem with the Specialized Agencies has been the extent to which they have been turned from their main purposes to deal with the political issues that are the responsibility of this Assembly. Canada is determined to resist this process. We have been particularly concerned about the ILO (International Labour Organization). We value the Organization for its record of achievement on human rights and its unique contribution to the UN system as a whole. We are anxious to preserve the impartiality and authority of its procedures so that a member state will not be condemned without impartial investigation. I believe that many members share our views and will work together for this purpose.

These proposals deal principally with improvements in our procedures. If implemented (and I confess that I am by no means sanguine that they will be), they would put us in a better position to deal with the important issues; but the complexity of the issues themselves will not be lessened.

Economic issues

Although they manifest themselves in a variety of troubling ways, including open conflicts, it is now apparent that the principal concerns of most members are, in fact, economic. The UN and its agencies have their work cut out for them if we are to move closer to a more just and equitable world economic order. The barriers to success are enormous as unemployment and inflation continue to plague even the wealthiest countries. Unless a spirit of reasonableness prevails, unless demands and responses are tailored to present economic realities, I must caution that, even in Canada, which is far from being the least-generous of the developed countries, pressures will develop to focus on our own considerable problems, even to the exclusion of the international consequences. I need hardly tell you that we are not alone in this difficulty.

Canada's goal is to build on the foundations we helped to create through our co-chairmanship of the CIEC (Conference on International Economic Co-operation). Given the proper climate we shall work hard to devise a strategy that is both broadly acceptable and realistic. In the coming weeks, Canada's representatives here, and at other UN and related meetings, will announce additional Canadian financial commitments to a large number of international organizations. I shall not take time today to relate the details. I do wish, however to say a word about food aid.

The world food shortage has been eased by good harvests in many countries. However, the factors that gave rise to the recent crisis are still present, and recent studies concur in the likelihood of a shortfall in the next five to ten years. One proposal to improve world food-security concerns the idea of a 500,000-ton emergency grain-reserve. Canada previously announced a willingness to contribute along with other donors. I am now able to announce that, subject to Parliamentary approval, we should be willing to provide the equivalent of \$7.5 million in food grain — roughly 50,000 tons or 10 per cent of the total objective.

At this session, we must establish the machinery for developing a New International Development Strategy for the Third Development Decade. This task provides us with a rare opportunity to demonstrate the continuing relevance of the United Nations. We can take advantage of it, or we can allow our deliberations to deteriorate into sterile rhetorical exchanges that will sap the good will of those who must give and deepen the bitterness of the receivers. Let us resolve now to choose the first course.

Law of the sea

Since I last spoke to this Assembly, there have been important developments with respect to the Law of the Sea Conference. This historic conference illustrates very well some of the best and some of the worst aspects of United Nations deliberations and processes. Without the UN there is little doubt that management and control of the oceans and their resources would have deteriorated into anarchy. The conference is, therefore, one of the UN's great achievements; its originators and all who have participated deserve great credit. But it is an agonizingly slow process.

In the past 12 months, many countries, including Canada, have extended their fishing jurisdiction over living resources in their coastal waters out to 200 miles. While it is true that these actions are based upon the common will of states reflected in the draft conference texts, it is also true that, before that point could be reached, many fish-stocks had become dangerously depleted, vital elements of the world's fishing industry were jeopardized and serious confrontations developed between traditionally-friendly countries.

There are legitimate and complex reasons why the negotiations were difficult. But we cannot ignore the fact either that old habits and patterns are hard to abandon, and it is ironic in some respects that only by acting in advance of the conclusion of the conference did Canada and countries who took similar action enhance the United Nations and the undoubted value of the conference. This lesson should, and I hope will, lend new urgency to the important work of the conference that remains to be completed. We have taken ten years to come this far, and the gains will be dissipated by a series

of unilateral actions unless a comprehensive, agreed international regime comes into force very soon.

**Peace and
security —
southern Africa**

It should be self-evident but sometimes is not that all of our painfully-slow progress towards a more just and well-ordered society rests on the fragile assumption that we can create and preserve a peaceful world. No argument should be necessary in defence of that proposition. Yet we continue to witness new outbreaks of violence and to hear from leaders genuinely convinced that the only path to their objectives leads across the battlefield. This belief is prevalent at present in parts of southern Africa.

Soon we shall be discussing the most recent plan for the attainment of majority rule in Rhodesia. Canada fully supports the plan, not only because we believe it provides the basis for a fair and equitable solution but also because we reject totally the alternative of further bloodshed. There must be no lessening of our resolve to see the end of the present illegal minority Rhodesian regime, and for that reason we must redouble our efforts and our commitment to peaceful means. Otherwise, whatever the eventual outcome it will have about it the smell of failure and the sad realization that good can only be achieved through death and destruction.

Middle East

In the Middle East, the issues are even more complex and the dangers to world security proportionately greater. All of us are hoping that present initiatives and negotiations will prove successful and today, as in the past, Canada urges all concerned to recognize fully their awesome responsibility to make every effort, explore every avenue, that can lead to a peaceful and permanent solution to long-standing differences.

Canada remains committed to the framework for peace embodied in United Nations Resolutions 242 and 338. Our support for Israel's right to exist, as defined by those resolutions, is firm and unequivocal. We deplore, and shall continue to do so, all efforts within this Assembly and elsewhere to attribute patently-false motives to Israel or to diminish its status and rights within the United Nations or as a legitimate member of the world community.

Canada believes all countries in the region need, and have a right to expect, more than just another cease-fire or merely a formal end to belligerency. If this kind of peace is to be achieved, the crucial issues of territory must be solved. The only truly secure borders — those that are freely recognized by the parties on either side of them — must be determined, by negotiations, within the framework of Resolution 242. Until then, we believe that nothing should be done unilaterally or illegally to change or predetermine the status of any part of the occupied territories. We regret that such actions are still being taken without regard to their effect on the prospects for peace. It is also clear that any resolution of territorial issues, if it is indeed to bring about the lasting peace that all desire, must provide a just, humanitarian and political solution for the Palestinian Arab people by which they can live in peace without threatening the security of any country in the region. Any solution for the Palestinian Arabs must, of course, include their clear and unequivocal acceptance of Israel's permanent existence as their neighbour. During this Assembly, we should bring our weight to

bear to bring about an early resumption of negotiations and not attempt to substitute empty debates or one-sided resolutions for the complicated, slow, but essential process of working out a settlement by the parties themselves.

Obviously, the Middle East situation has reached a crucial stage. For all concerned, these are days of opportunity. We must pray that they act wisely and with a full awareness of the awful consequences of unwise actions.

For whenever there is a potential for conflict these days we must not only contemplate localized limited hostilities, as frightful as these always are. We know that each new flare-up, wherever it occurs in the world, is a potential threat to us all, and even to world survival. We must remind those who would risk the use of arms that they are endangering more than the lives of their own people. Every weapon fired in anger is aimed, potentially, at us all. Thus we have a right and a duty to speak out; for what is at stake is, in truth, the peace of Canada and of every other country in the world.

Disarmament

Because this is the simple truth, no problem is of greater concern to this Assembly than disarmament, but equally no subject has more frustrated our efforts and disappointed our peoples. Next year's special session can provide us with an opportunity to move towards real disarmament. Canada co-sponsored the resolution calling for the session, and we shall put forward specific proposals to make it a success.

But we cannot wait for the special session. The need is immediate to improve and strengthen the international non-proliferation system, implement the non-proliferation treaty more effectively, and re-examine the risks and benefits in various nuclear cycles and processes.

If anything is more frightening than the prospect of rapidly-escalating local hostilities, it is the nightmare of unrestrained nuclear proliferation, with all of its attendant horrors. I find it difficult to understand how anyone among the world's leaders could consider that an expansion in the number of nuclear-weapon states would contribute to greater world stability. Canada, despite its known competence in the field, rejected the nuclear-weapons option long ago. Now we are making every effort to ensure that others do likewise. We shall only co-operate, in terms of nuclear supplies and technology, with those countries that have signed the non-proliferation treaty or are otherwise committed to full-scope safeguards. We are encouraged by the fact that some other nuclear-suppliers, including Australia and Sweden, have adopted a similar policy. We hope there will be more.

For Canada recognizes that, with the inevitable decline, and increasing costs, of conventional energy sources, much of the world will have no choice but to turn to nuclear sources to meet energy demands. We appreciate also that there are legitimate differences of opinion on the question of the safest and most efficient means of utilizing nuclear resources and technology. This is true even in countries whose commitment to non-proliferation is total and unquestioned.

Canada, therefore, welcomes and supports the London summit-meeting proposal for a

thorough study of alternative fuel-cycles that avoid the use of plutonium or improve safeguards. We commend the United States for its initiatives in this field and hope that all countries will give it their full support. This subject is much too broad and too important to be dealt with in a few moments. I hope that this Assembly will provide the time for a full-scale discussion, for there can be no subject of greater importance.

Peacekeeping

Because of Canada's special interest, I hope and expect there will be an opportunity also to discuss UN peacekeeping activities. In the Middle East, Cyprus and South Asia, United Nations peacekeeping forces or observer groups are in place. Soon there may be further requests involving Zimbabwe and Namibia.

Canada has consistently responded to UN requests to provide personnel as available for peacekeeping, because we believe this to be a significant way to contribute to world peace. But in Canada there is growing concern about peacekeeping for two reasons. First, many of the disputes that led to the need for peacekeeping forces appear no nearer to solution than they were one, two or even three decades ago. We recognize that these basic and intractable problems cannot be settled overnight. What we wish, but do not always see, is evidence that the parties are intent on negotiating an end to their disputes.

Secondly, although the two most recent forces, the UN Emergency Force and the UN Disengagement Observer Force, are being properly paid for through collective assessment, we have failed to reach general agreement on how future peacekeeping operations should be financed, and the UN Force in Cyprus is over \$50 million in debt. If operations are not properly funded, many members of the UN will not be able to afford to provide forces — a situation that will not be healthy either for this organization or the conception of peacekeeping.

In considering future participation, Canada will weigh these two considerations: whether peacekeeping forces will contribute to a settlement rather than provide temporary relief or even contribute to a perpetuation of the problem, and whether arrangements to pay for them represent the common will of members to assume the financial burden and permit troop-contributors to be selected from a broad cross-section of countries.

Human rights

I have no doubt that we shall hear a great deal about human rights during the coming months. And not only here at the United Nations. Within a few days, the review conference on the Helsinki Final Act opens in Belgrade. Canada, as one of the signers of that document, will make its views known at that time.

But we must also recognize that the United Nations has a major responsibility in the human-rights field — one we have not always discharged fully or effectively.

Last year, we welcomed the coming into force of the Covenants on Economic, Social and Cultural Rights and on Civil and Political Rights. Paradoxically, at a time when these new human-rights instruments have defined more fully the rights of persons in states, which have ratified these instruments and have created new machinery to

monitor the compliance of member states with their legal and moral obligations, the gap between the ideals of the Universal Declaration of Human Rights and the practice of states has widened noticeably. It is regrettable that only one-third of the total membership of the United Nations has ratified the major human-rights covenants, and that even fewer states have accepted the Optional Protocol. The various monitoring and reporting procedures are too slow and cumbersome to be truly effective, and offer little tangible assistance to victims of violations.

More progress can and must be made in those areas where abuses are flagrant and persistent. We should direct our efforts towards finding a means of monitoring compliance with the declaration against torture passed by the General Assembly in 1975. We should improve the procedures for screening complaints and for acting on those that reflect serious abuse. We should consider better procedures for co-ordination of all UN activity in defence of human rights.

We recognize that the Charter of the United Nations obliges member states to respect the sovereignty of others. But it is surely consistent with acceptance of the principle of non-interference to urge more complete and universal recognition of other freely-assumed obligations — the promotion and encouragement of respect for human rights and fundamental freedoms for all, without distinction as to race, sex, language or religion.

The fact is that, on this as on all the other issues, I have mentioned the performance of the United Nations and of all of its member states is being examined more closely and critically than ever before, for the sound and obvious reason that the stakes are higher than ever before.

I have spoken critically of some aspects of our past performance and present practices. I have done so not out of any desire to weaken this organization but because Canada is convinced that, without a marked change of attitude on the part of members and without the reforms that are so clearly necessary, the erosion of the effectiveness and prestige of the United Nations will continue.

We must dedicate ourselves to work for this organization as if our lives depended on it. In truth, they probably do.



Statements and Speeches

No. 77/18

HELSINKI — THE FINAL ACT: PRINCIPLES AND PROVISIONS

Opening Canadian Statement by Mr. Klaus Goldschlag, Special Representative of the Secretary of State for External Affairs, to the Meeting of the Conference on Security and Co-operation in Europe, Belgrade, October 6, 1977.

We are all indebted to our host government for permitting our preparatory meeting and us to inaugurate this imposing and imaginative conference building and for all the courtesies that are being extended to us. The history of Yugoslavia has given it an important stake in the themes that are before us and it has done much, through its policy and through its actions, to advance them. It is entirely fitting, therefore, that the capital of Yugoslavia should imprint its name on this meeting.

A little more than two years ago, the political leaders of our countries met in Helsinki to subscribe their signatures to the Final Act. They did so "mindful of the high political significance" of that document and "declaring their determination to act" in accordance with its provisions. They recorded their resolve to continue the process that had culminated in the signing of the Final Act, and directed us to meet in Belgrade this year for this purpose. We are here today, therefore, to take stock of what has been accomplished in the interval and to see where we go from here.

When the Final Act was signed, it evoked varied reactions. There were those who attached great hopes and expectations to it. They saw it as marking the passage of Europe and North America from the period of Cold War. They took seriously the more secure and civilized international order to which it seemed to point. Others were more sceptical. They were not insensitive to the political vision the Final Act held out. But they were concerned about the balance of advantage that the negotiations had yielded. Still others shrugged it off altogether. They thought that the negotiations had been a misguided effort, that the Final Act either changed nothing or, worse, that it aroused expectations that would not and could not be fulfilled.

A balanced view would lie somewhere in between. We cannot agree that the effort should not have been made. Nor can we discount the possibilities that have been opened up. But we must also admit to ourselves that expectations fall well short of having been met. The political landscape is still far from idyllic. We are still in a situation where stability probably owes as much to fear of nuclear war as it does to any political arrangement we have yet succeeded in making. This is not a comfortable thought. It becomes even less comfortable when we review the uneven and, on the whole, modest progress achieved in the last two years towards realizing the objectives of the Final Act.

Nevertheless, we are prepared to be realistic. The Final Act covers a broad canvas of objectives. If they had been within easy reach, it would not have been necessary to negotiate them so laboriously. It is of some significance that we succeeded in formu-

lating them at all and that they now carry the consensus of 35 countries and the commitment of our political leaders.

The Final Act reaches into the future. Perhaps two years is not long enough to assess its impact fairly. But two years is long enough to have identified the impediments to better progress. Public interest in all our countries is focused on Belgrade and those who are most serious about the Final Act are also those who expect the most from our deliberations. How best can we approach the task that has been delegated to us?

In the Canadian view, there is an inherent logic to our agenda. The first step is to proceed to a careful and objective review of the current state of implementation of the Final Act. To prepare for such a review, all of us will have drawn up our inventories and compiled our statistics. But the review, in the end, is a political matter, not an exercise for statisticians. What matters is what the statistics mean. After all, many of us started from very different positions in respect of the principles and provisions of the Final Act. What seems important to us is to see how close we have come to meeting the objectives on which we agreed in that document.

By proceeding in this way, we shall be better able to measure the gap that still separates promise from performance. Only when that has been done can we seriously turn our attention to new proposals. We see such proposals as designed not to rewrite the Final Act, which is not within our mandate, but to deepen our collective commitment to its purposes and to improve the quality of our performance.

The Final Act is a balanced document. If it were not balanced, it would not have commanded the assent of the 35 countries assembled here. The Canadian Government, therefore, regards itself as being committed to all parts of the Final Act and it intends to see all parts implemented in equal measure.

But public opinion in Canada focuses unequally on the Final Act. It does so because the different parts of the Final Act are different in their relevance to the concerns and priorities of Canadians. And it does so because Canadians have their own perception of what a policy of *détente*, practised conscientiously, should imply. In essence, Canadians will assess such a policy by one simple test, and that is whether, as a consequence of supporting their Government's policy of *détente*, they are living in a safer and more humane world. How does the course we charted at Helsinki stand up to such a test?

We are bound to admit that, in the matter of improving security, the provisions of the Final Act are modest. The modesty of our achievement was recognized at the time because there is no other chapter in the Final Act in which our heads of government gave us greater latitude for future progress. But modest or not, we should not underrate the contribution that these confidence-building measures can make to a more stable and predictable environment in an area that remains the greatest area of armed confrontation — that is, Central Europe. We have gained experience in the operation of these measures over the past two years. We are hopeful that, without going beyond the intent of the Final Act, we may be able to refine their application and broaden their practice.

The mandate that has been given to us is limited. But the fact that it is limited does not absolve us from looking beyond it. The Final Act, in the end, finds its place in the wider conspectus of *détente*. And, if *détente* is a matter of increasing confidence, it is ultimately inconceivable that we can manage to increase confidence in the political realm while the arms race continues unabated. Political *détente* and a deceleration in the arms race must go hand in hand. The confidence created by each has a mutually-reinforcing impact on the other. Insecurity, like security, is indivisible.

We are not here to deal with matters of disarmament. That is the responsibility of other organs of the international system. But in our deliberations here we cannot afford to leave out of account the effect that a mounting build-up of military forces and armaments, going beyond the apprehended needs of defence, will have on stability and on confidence. We cannot leave out of account the disappointing progress that is being made in curbing the arms race in negotiations in Europe and elsewhere. We are at the end of the road of peripheral measures. We have come to the heart of the disarmament matter, which is actually to begin to disarm. No one pretends that the next steps will be easy. But we cannot expect to move forward along the disarmament road simply by making declarations of good faith or by trying to legislate intentions. We have only one option, and it is the hard option of dealing with capabilities, of limiting the capacity to wage war.

That is not, as I say, on the agenda of our meeting. But we should not delude ourselves into thinking that, unless we are serious about that larger dimension of security, we can indefinitely sustain the support of our public opinions for the structure of co-operation that we put in place at Helsinki.

Much of the co-operation envisaged at Helsinki lies in the economic realm. Here, too, we believe that the language of the Final Act is indicative of a conception that carries us beyond the provisions we have come here to review.

The systems by which we manage our economies differ in many important respects. We have no illusion about those differences and it is not the purpose of the Final Act either to arbitrate or to bridge them. But we should be wrong, in our view, if we saw our task here or beyond Belgrade to be merely that of recording the agreements we have concluded or the projects in which we are jointly engaged. We should be wrong if we made the creation of new structures or the impact of our endeavours on relations between us the sole focus of our concern.

We cannot, after all, be unmindful that our economies, taken together, represent the core of what is called the industrial world. The way in which we organize and conduct our economies, the way in which we muster our respective economic strengths, has an impact that is acknowledged to be world-wide. A good part of the world will be following our deliberations here closely. They are aware that the countries that have signed the Final Act include virtually the entire industrialized world. They accept, as we do, that closer co-operation among us can lead to a more rational allocation of resources, with resulting benefit, in the first instance, for the peoples of Europe and North America. But it will also occur to them that, the more we as industrialized

countries work together to our own mutual advantage, the easier it will be for us to bear in mind our responsibilities to the world system at large and to the developing world in particular.

The facts of interdependence, in any case, are rapidly catching up with us. Regardless of how we manage our economies, we cannot, any of us, escape the implications of the energy crisis; or of the depletion of other natural resources that we have used improvidently; or of the pressure that the rising expectations of our peoples put on the finite capacities of our economies; or of the unrealized demand that is represented by the millions of disenfranchised consumers in the countries of the Third World. This is not a matter of convergence of our systems; but it is a matter of convergence of interests and concerns that we share. We should be ill-advised to disavow that convergence. We shall be much less able to deal with these problems in doctrinal isolation. But we shall not be able to work together at all unless we deal with each other in the spirit of mutual confidence that the Final Act was intended to impart to our economic relations, as to our relations over a wider spectrum.

In the end, however, it is the weight we are prepared to give to the human dimension of the Final Act that will determine the climate of confidence between us. That such a proposition should itself cause concern is a measure of the distance that still separates us from the objectives we set ourselves at Helsinki.

It is sometimes argued that to place human rights and humanitarian co-operation so high in the scale of priorities is to distort the balance of the Final Act and to distort the balance of the benefits we expect from it. We in Canada cannot subscribe to that argument. The great barrier our efforts are intended to breach is, in the first instance, a barrier between people. We cannot expect to build a structure of co-operation that will prove solid unless it involves our people and unless they identify their interests with it. We cannot proceed on the assumption that relations between states can remain unaffected where respect for human rights and fundamental freedoms is seen to be deficient. On the contrary, the link is explicitly drawn in the Final Act and we should do well to keep it in mind as our deliberations go forward.

We acknowledge that many of the principles and provisions of the Final Act are in the form of unilateral undertakings by participating states. We believe, nevertheless, that all these undertakings are a legitimate subject for discussion at our meeting here in Belgrade. This applies to human rights and human contacts, as it does to the other subjects that come within the ambit of our review. We cannot agree that such a discussion constitutes an intervention in the internal affairs of participating states. We are here to measure progress and the only measure we can apply is the degree to which undertakings freely assumed by governments are being carried out.

The point is sometimes made that the problem with human rights is that they are subject to very different interpretations. It is true that different societies attach different weights to particular human rights. It is also true that some societies claim precedence for the rights of the collectivity over those of the individual. We are not here to arbitrate those differences. But we do not believe that matters of definition should stand

in the way of conscientious performance. We are not, after all, writing on an unwritten page. The Universal Declaration of Human Rights is common ground between us. So, between many of us, are the relevant international covenants. The Final Act itself, in declaring human rights to derive from "the inherent dignity of the human person", has surely dispelled whatever doubt there may have been of where our obligations lie.

All our governments could probably claim to have put in place an adequate legislative basis for assuring the observance of human rights and fundamental freedoms. But concepts in this field are evolving and there is a need to ensure that this evolution is progressively reflected in our laws. We also have to consider that our systems are not perfect. All too often, there is a gap between what is prescribed in the statute book and what is vouchsafed in practice. We acknowledge that it is the responsibility of each government to see that such a gap does not develop and that, where it has developed, steps are taken to remedy it. But we also accept the right, in Canada as elsewhere, of individual citizens to concern themselves with these matters and to enter into a dialogue with their governments where precept and practice appear to diverge.

In raising these issues in Belgrade, our purpose is not to create confrontation. Nor is it to arrest the course of *détente*. Our concern, in fact, is just the reverse. The Canadian Government has itself undertaken obligations at Helsinki in the matter of human rights. We are prepared to be held to these obligations by Canadians, as well as by governments whose signatures are affixed to the Final Act with ours. We are prepared to see our performance subjected to scrutiny where it is open to challenge and to bring our laws and our practices into conformity with the obligations we have assumed where that is not already the case.

The dispositions of the Final Act in the matter of human contacts are of special concern to Canadians. We are a country of settlement, some of it recent, and many Canadian have continuing family links in Europe. The Canadian Government has pursued a policy that attaches priority to the reunification of families. It has looked to the Final Act to break the impasse that has often inhibited the pursuit of that policy.

In point of fact, the Final Act has brought about improvements in the past two years. There are still many cases outstanding, but we have been encouraged by indications that governments are prepared to take this matter seriously. What is less encouraging is that such progress as has been made is still not automatic. It has been achieved at the cost of considerable effort and even hardship on the part of those desiring to join their families. It is not yet a simple matter for people to move from one country to another if they wish. The administrative barriers are often formidable even where those involved no longer form part of the active working population of their countries. It is our hope that one of the results of our meeting will be a more generous and humane interpretation of the family-reunification clauses of the Final Act, not as an exception but as a matter of general policy and practice. If that were achievable here at Belgrade, it would help more than anything else to lend credibility to our efforts in the eyes of Canadians.

Indeed, the factor of credibility could be crucial to public support for *détente* in Can-

ada. The Final Act may have been signed only two years ago, but some of the problems with which it deals, such as family reunification, have been with us for many more years than that. Canadians thought the Final Act would at long last provide the impetus necessary to deal quickly with this problem. And so to some extent it did. But, to the extent it did not, public preoccupation in Canada continues. If governments, in the two years since the Final Act, have been unable to solve such a simple problem, people ask, how much hope is there that they will be able, even given a much longer span of time, to solve the many more difficult problems that the Final Act raises? This kind of scepticism should be a warning to us. Confidence is contagious, but so is want of confidence. If *détente* is to become permanent, we have to make confidence permanent, not just confidence between states but the confidence of our citizens that their governments were acting sensibly when they assumed the obligations of the Final Act. Seen in this light, even an apparently limited problem like family reunification can come to have a general significance if people choose to make it a test of *détente*.

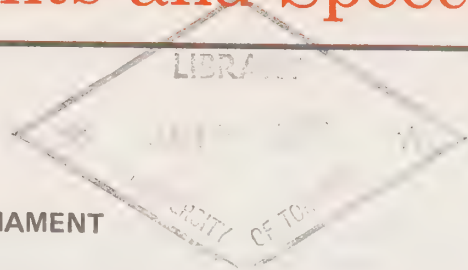
The Canadian approach to the Final Act will continue to be positive. We attach importance to its provisions and to the principles it has formulated to guide relations between its signatories. But we also look beyond the Final Act to those broader issues bearing on a more-rationally ordered world that inevitably form part of the context in which the improvement of security and the development of co-operation among us must be situated. We do not see the Final Act as exhausting the responsibilities we have towards one another or to the world at large. If we are to meet those responsibilities, we must manage to overcome distrust and increase confidence between us. That is what the preamble of the Final Act enjoins us to do. If we can cross that threshold, we shall be closer to "solving the problems that separate" us and to "co-operating in the interest of mankind", to borrow the language of the Final Act.

We hope that the exchange of views on which we are about to embark will be objective and dispassionate, that it will help to clear away suspicions and misunderstandings, and that, above all, it will lay a solid basis for progress.



Statements and Speeches

No. 77/19



ARMS CONTROL AND DISARMAMENT

A Statement on October 27, 1977, in the First Committee of the Thirty-Second Session of the United Nations General Assembly by Mr. R. Harry Jay, Ambassador and Permanent Representative of Canada to the Office of the United Nations at Geneva and to the Conference of the Committee on Disarmament.

In his address to the General Assembly on September 26, 1977, the Secretary of State for External Affairs of Canada stated that: "...no problem is of greater concern to the United Nations than disarmament, but equally no subject has more frustrated our efforts and disappointed our peoples". I recall also that in the debate in the First Committee last year I expressed a sense of impatience, frustration and profound disappointment at the continuing failure of the international community to face up more concretely and rapidly to the awesome problems that confront us in the field of disarmament. Disappointing as achievements have been up to now, when we come to examine the current situation we do find that there are grounds for greater optimism in at least three crucial areas. In these areas efforts have been accelerated and intensified, with the result that opportunities for major progress may at last be in sight.

These developments do not, of course, give grounds for any complacency. The task of nurturing these possibilities to the stage of fruition is bound to take time. This fact does not diminish but heightens our sense of urgency. As a result of the persistent efforts of the international community to enhance international security through arms-limitation and disarmament measures, we now are on a threshold of important developments. The success of this enterprise will depend on the intensity of the effort — particularly by all militarily-significant states — in the next few years.

Strategic arms- limitation talks (SALT)

First and foremost, in terms of the proliferation of nuclear weapons in the arsenals of the super-powers, the ongoing efforts of the United States and the Soviet Union to reach agreement on a series of further measures to curb, and then to reverse, the strategic-arms race are of crucial importance. It is the strongly-held view of Canada that these bilateral negotiations between the two major nuclear powers must, as their ultimate objective, endeavour to attack the problem in qualitative as well as quantitative terms — that is, seek to curb the technological-arms race, as well as limit and reduce the numbers of nuclear weapons.

A short while ago, the United States and the Soviet Union announced separately their intention to continue to be governed by the provisions of the now-expired SALT I strategic-arms limitation agreement. In order to preserve a measure of stability while negotiations continued for the long-delayed follow-on agreement, SALT II, which should be a significant first step in the actual reduction of nuclear arsenals. It is particularly important that the negotiations on SALT II, and on certain interim supplementary restraints, are now being pursued with renewed vigour.

No one who is aware of the serious problems involved in such negotiations, relating to

matters of vital security interest, can question the complexity of the difficulties that must be overcome in order to achieve worthwhile measures of restraint with regard to strategic weapons. Nonetheless, if the momentum of the negotiations so painstakingly achieved in past years is not to be lost and the prospects of success diminished, Canada strongly believes that new, bold steps forward at the earliest possible date are desirable — even essential. At this juncture, it would be appropriate for the Assembly to leave the two negotiating powers in no doubt about the profound hope of the international community that these talks will soon result in the conclusion of SALT II, and permit progress to the third stage of SALT, which should lead to further and substantial reductions in strategic weapons.

Non-proliferation

The other side of the same coin is the pressing need to improve the international non-proliferation system, to strengthen safeguards administered by the International Atomic Energy Agency (IAEA), to implement the Non-Proliferation Treaty more effectively and to re-examine the risks inherent in various nuclear cycles and processes. This task is all the more important because the world must increasingly come to terms with a growing energy shortage, and many countries are looking to nuclear energy as an alternative to conventional sources. In this field, Canada has had long experience, as a producer and a supplier, of both uranium and proved nuclear technology. We recognize the contribution we can make as an exporter to the energy-poor countries, both industrialized and developing. At the same time, we attach the highest importance to developing the most effective international system of safeguards possible in order to try to prevent the spread of nuclear weapons and the capability to produce them.

This policy stems from concerns that go beyond commercial considerations. We have made clear that we are prepared to sacrifice potential gains rather than accept less-than-satisfactory controls. Canada has rejected the nuclear-weapons option long ago and our policy on safeguards is the logical extension of our concern, and indeed our sense of responsibility, regarding non-proliferation. Accordingly, in the case of its exports of nuclear materials, equipment and technology to other non-nuclear-weapon states, Canada requires that such countries should either adhere to the Non-Proliferation Treaty or otherwise make a binding non-proliferation commitment and accept IAEA-administered safeguards on their entire nuclear program (so-called "full-scope safeguards"). In seeking from others agreement to such controls and safeguards, we are asking for undertakings that Canada has already, and willingly, accepted. We welcome the fact that a number of other suppliers have adopted a similar policy. It is our hope that this condition will become a basic international requirement, facilitating international co-operation in the strictly peaceful uses of nuclear energy.

Canada also welcomes the international nuclear-fuel-cycle evaluation project, which is about to get under way on a broad international basis. We appreciate that there are legitimate differences of opinion on the question of the desirability of different means of utilizing nuclear resources and technology, but we hope that this international study will give careful thought to alternative fuel-cycles that avoid the use of plutonium and improve safeguards. In our view, the international nuclear-fuel-cycle study project warrants the full support of the international community. The plain

fact is that, although countries such as Canada have been prepared to adopt rigorous measures at the national level, the international non-proliferation system can be implemented effectively only through a broad collective approach involving nuclear-weapon and non-nuclear-weapon, industrialized and developing, exporting and importing nations — all of whom share a common interest in avoiding the dangers inherent in nuclear proliferation.

Comprehensive test ban

As in the case of both SALT and international efforts to strengthen the non-proliferation system, there is also some basis for optimism with regard to the long-sought goal of a comprehensive test ban (CTB). Year after year, in this Assembly, the immense majority of member states have insisted on the importance of achieving such a treaty. Certainly we can feel particularly encouraged that serious formal negotiations have indeed begun involving all three of the nuclear-weapon states upon which the onus rests, as original parties to the Partial Test Ban Treaty of 1963, to undertake such negotiations.

The views of Canada on this question have been repeated time and again. We have expressed the view that in this area it was incumbent upon the two major nuclear powers to set an example by agreeing to end their nuclear tests for a determined period of adequate duration, even if other nuclear-weapon powers did not immediately join such an agreement. The recent announcement by Foreign Minister Gromyko at this session that the Soviet Union was now prepared to envisage stopping tests along with the United States and Britain represents a welcome development in the Soviet position, particularly so far as it means that, as we have long advocated, progress on a definitive cessation of tests need not await participation by all nuclear-weapon states.

There are clearly difficult hurdles to be surmounted, involving problems such as verification, the scope of the agreement and the conditions for its entry into force. The pursuit of solutions to these problems will require time. In the seismological working group of the Geneva Disarmament Conference, Canada and other countries have already invested a great deal of technical effort concerning the contribution international co-operation in the exchange of seismological data can make to easing the verification problem. Canada welcomes the fact that the principle of such a data-exchange seems to be accepted by the participants in the negotiations. Moreover, we have already stated in the Geneva Conference that, in view of the lack of any convincing way of ensuring that so-called peaceful nuclear explosions do not provide weapons-related benefits, a comprehensive test ban should prohibit all nuclear explosions. Surely the utility of peaceful nuclear explosions is sufficiently doubtful that such uses of nuclear-explosive energy should not be allowed to impede the achievement of an objective to which this Assembly has already assigned the highest priority.

We trust that this essential trilateral stage of the negotiations will be carried out successfully within a reasonable period so that the Geneva Disarmament Conference will be able to begin the multilateral phase of negotiation of a treaty. We believe that such a treaty should be adhered to on the broadest possible basis in order to address the proliferation problem in both its vertical and horizontal aspects.

Chemical weapons convention

With regard to efforts to achieve a convention on the development, production and stockpiling of chemical weapons and on their destruction, to which this Assembly has also assigned a very high priority, we note that this year there are much better prospects than existed last year. Negotiations are being pursued actively between the United States and the Soviet Union. We are encouraged by the fact that the two major military powers have recognized their special responsibility for taking the initiative of working out the key elements of a chemical-weapons treaty. As is the case with the efforts to achieve the basic elements of a CTB, there remains much ground to be covered in these negotiations. But perhaps it would be realistic to expect that the bilateral negotiations may be successfully completed in time for the Geneva Disarmament Conference to begin its work on the multilateral treaty before the special session of this Assembly devoted to disarmament meets next year.

Reduction of military budgets

Turning now to the question of the reduction of military budgets and an adequate reporting system — this is an area where efforts can probably best be pursued in a broad multilateral forum, because such reductions should be implemented universally. My country appreciates the extremely valuable work that has been carried out by the Secretary-General's study group, and supports their recommendations. The viability of reductions in military budgets as a means of progress towards real disarmament on an assured basis rests upon the development of a satisfactory means for reporting and comparing military expenditures. It also clearly requires a much greater degree of openness on the part of states in making useful information available. This is, in our view, an avenue that should be followed vigorously with the objective of devising a valid reporting system and adequate verification techniques to make military budget reductions a truly effective approach to disarmament.

Special session on disarmament

While reviewing, as I have been doing, the list of more-promising opportunities for progress that we now have before us, I would place particular importance on the special session devoted to disarmament, which is to be convened next May. Provided that it pursues its deliberations in a truly collective and co-operative spirit, a spirit that I am happy to note has prevailed throughout the sessions of its Preparatory Committee so far, the special session could and should provide an opportunity to reach a meeting of minds in identifying further avenues for progress in concrete arms limitation and towards more comprehensive measures of real disarmament.

Of course, such a broadly-based forum cannot itself undertake the negotiation of specific measures and treaties. These will require intensive efforts in the appropriate negotiating bodies, including particularly the Geneva Disarmament Conference, which we now have good grounds to believe may be about to enter upon a period of renewed activity and importance. The special session could also provide us with an opportunity for a broad reassessment of the problems and the opportunities and of the interrelations between disarmament, international peace and security, and economic development.

My country joined in the initiative for the special session; we are pledged to play our full part in it and to contribute to making its deliberations as fruitful as possible.

Collateral measures

To round out my survey of developments in the past year I might also mention both the signature by more than 30 governments of the Environmental Modification Treaty and the successful completion of the Review Conference of the Parties to the Seabed Treaty. These treaties are, we all know, limited agreements that deal with only hypothetical areas of arms control. While they are peripheral to the central issue of disarmament, they are worthy of our support as desirable ancillary measures. Nevertheless, we should not allow the negotiation of such agreements to distract our attention from the need for other measures that will tackle the more urgent problems. Indeed, the scope for further collateral measures of this kind seems very limited. We now have the opportunity to negotiate much more significant measures, such as a comprehensive test ban and a chemical-weapons convention.

New weapons of mass destruction

The Geneva Conference has also given careful consideration in the past two years to the best means of preventing any development and deployment of so-called "new weapons of mass destruction" — that is, categories of weapons that might conceivably be developed in the future having effects analogous to the mass-destruction weapons with which we are only too familiar. Those deliberations have, in our view, tended to clarify the very serious problems of trying to address this matter on what I might call a broad generic basis. I think it would be fair to say that we have been left in a state of considerable confusion as to just what hypothetical, futuristic weapons such a treaty would be supposed to deal with. Any attempt to base a comprehensive treaty on such a conception gives rise to serious problems of knowing what could be actually prohibited and how to verify compliance with such prohibitions. We note that the Soviet Union has presented a revised draft, and some elements of obscurity that many states found in the original draft have been somewhat diminished. Nevertheless, the view of my Government, following the intensive study that has been given to this problem in the Geneva Disarmament Conference, is that there are very serious practical difficulties standing in the way of making the Soviet proposal effective as an arms-control treaty. In sum, we believe the soundest way to proceed is to consider specific agreements to prohibit, on a case-by-case basis, particular new categories of mass-destruction weapons when such specific weapons can be identified.

At the same time, we fully recognize the hypothetical element of risk a future development of such new categories of mass-destruction weapons might pose. We are, therefore, prepared to support a resolution that would call upon states to abstain from the development of new categories of mass-destruction weapons and would request the Geneva Conference to consider specific international agreements.

Conventional weapons

Without in any way diminishing the importance Canada attaches to these areas involving mass-destruction weapons, it is our conviction that the international community must begin to address the problem of conventional weapons, and the production and transfer of such weapons, which has been ignored for so long. In our view, the special session should take the lead in identifying avenues to be explored in this particular area. The problem of conventional arms, and the escalating transfers of such weapons, including the most sophisticated, is crucial to hopes for the achievement of comprehensive disarmament, or at least getting closer to it.

Conclusion

I have tried to identify some of the most important opportunities that at last seem to be unfolding before us, particularly in the areas of strategic-arms limitations, a comprehensive test ban and a chemical-weapons treaty. Because it relates, *inter alia*, to fundamental questions of nations' perceptions of their security interests, arms control and disarmament is a difficult uphill task and the past has been fraught with frustration. There are, however, grave and pressing dangers inherent in a failure to make real progress. Moreover, other more constructive demands on the resources of all of us make clear that our efforts must be pursued with renewed determination.

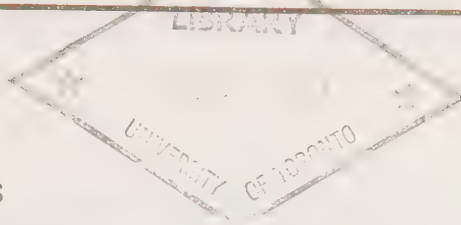
It is right that we make every effort to consider as analytically and objectively as possible the issues I have described. Emotion will not help us to understand properly the intricacies and the magnitude of the challenge of disarmament or to devise effective means to deal with them. Yet we must never lose sight of the underlying supreme task — to ensure the security of us all by reducing, and ultimately eliminating, the risk of war. Dare we hope that this year, perhaps more than in many previous years, we are on the verge of significant progress in this vital direction?

S/C



Statements and Speeches

No. 77/20



THE QUESTION OF CYPRUS

A Statement to the Plenary Meeting of the Thirty-second Session of the United Nations General Assembly, New York, by Ambassador William H. Barton, Permanent Representative of Canada, November 8, 1977.

Canada joined with a great majority of member states in supporting the resolutions adopted by this Assembly on the question of Cyprus in 1974 and in 1975. We have supported, as well, the mandate of the Secretary-General to provide his good offices to the two communities in Cyprus. We have continued to support the work of both the United Nations High Commissioner for Refugees and the International Committee of the Red Cross on the island.

But the principal focus of Canada's direct interest in the situation in Cyprus has remained the presence on the island for the past 13 years of Canadian soldiers as part of the United Nations Force in Cyprus. Over 19,000 Canadians have served in Cyprus during this period. We are proud of the contribution these men have made — along with their comrade soldiers and policemen from Britain, Sweden, Denmark, Finland, Austria, Ireland and Australia — to the practical implementation of United Nations peacekeeping operations.

I personally had the privilege of visiting the island in March of this year and can add my own testimony to that of others as to the efficiency, dedication and competence of the members of all contingents in the United Nations peacekeeping force in Cyprus. We were, therefore, pleased to note that the draft resolution recorded in Document A/32/L.16 of November 4 includes, in its operative Paragraph 6, a renewed call for the parties concerned to co-operate with the United Nations peacekeeping force in Cyprus.

Canada's involvement in Cyprus stems primarily from our membership in the United Nations and our readiness to assist the organization to maintain peace and security. It also stems from concern for the national integrity of a fellow Commonwealth member and for the harsh fate that has befallen countless individual Cypriots. In this connection, further attention needs to be focused on the matter of individuals who have been unaccounted for since the conflict in 1974. This question was considered at the thirtieth session of the United Nations General Assembly, and the international concern over this humanitarian issue was reflected in the language of Resolution 3395 (XXX). Yet the situation persists and we must once again urge that "the tracing and accounting for missing persons" be conducted as effectively as possible on an urgent basis.

The Canadian Government has, on many past occasions in this forum, expressed its reservations about certain aspects of the United Nations role in Cyprus. We have always believed that peacekeeping should be accompanied by peacemaking. Despite

the fact that the existence in Cyprus of a United Nations peacekeeping force has lessened the tensions on the island with the effect of improving the atmosphere for a negotiated settlement, we nevertheless remain disappointed that the presence of UNFICYP has not led to significant progress in achieving a political solution to the problems of Cyprus.

In the Canadian intervention in the Cyprus debate last year, we also underlined our concern about the growing deficit in the UNFICYP account and called upon member states to provide a larger number of voluntary financial contributions. In the past few months, Canada, in association with the other troop-contributing nations, has been actively involved in assisting the Secretary-General, through our own representations, in support of his appeals for new and/or additional contributions to the UNFICYP account. The contributions which have actually materialized to date, in response to these appeals, fall far short of the total need, but we are hopeful and optimistic that, in the course of the coming months, our efforts will bear significant fruit in helping to reduce the ever-increasing deficit in the UNFICYP account, which — I must once more reiterate — is now being largely financed, owing to the short-fall in voluntary contributions, by the troop contributors themselves. As the co-sponsors of this year's draft resolution have themselves recognized, UNFICYP continues to play an important role on the island and it is difficult to imagine what the consequences would be if the Force, already recently reduced by the withdrawal of the Finnish contingent, were to be trimmed even further because of financial considerations.

Turning now to the political situation, I should like to reaffirm the Canadian Government's continuing support for the Secretary-General and his representatives in their efforts to stimulate a resumption of the intercommunal talks....

As for the intercommunal talks themselves, the Canadian Government has every sympathy concerning the frustrating position in which the United Nations Secretary-General has been placed. Nevertheless, we wish to encourage him to persist in his good-offices role with respect to the negotiations between the two communities in Cyprus. The international community was encouraged earlier this year by the resumption of the intercommunal talks in February and held high hopes that significant and mutual concessions would be made by both sides. Unfortunately, however, our hopes were not sustained and we are fully aware that, before meaningful talks can be resumed, certain preconditions will have to be met, at least implicitly. The Turkish Cypriots will have to demonstrate their willingness to make territorial concessions and the Greek Cypriots their willingness to discuss new constitutional arrangements. We also hope that the other parties directly concerned will demonstrate a similar willingness to assume a helpful and catalytic function. However important international debate on this issue may be, it is through resumed intercommunal talks that progress will come about, as the draft resolution recognizes in its operative Paragraph 3. Needless to say, we also remain convinced that any political solution to the question must include the preservation of the sovereignty, independence and territorial integrity of the Republic of Cyprus.

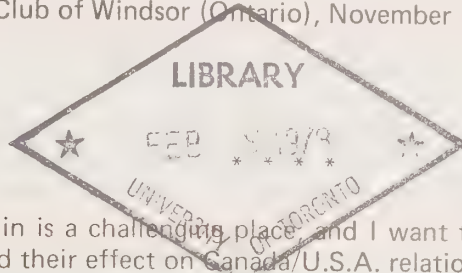


Statements and Speeches

No. 77/21

CANADA AND THE UNITED STATES — AN ASSOCIATION WITHOUT PARALLEL

Remarks by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Rotary Club of Windsor (Ontario), November 14, 1977.



The world we live in is a challenging place, and I want to talk about some of these challenges today and their effect on Canada/U.S.A. relations.

Never in the history of our two countries have we faced more difficult and complex problems — yet relations between Canada and the United States have seldom been better than they are to-day. To be sure, there are tensions and still-unresolved issues of great importance, but there is no bitterness, no sense of confrontation. Rather, there is a strong and mutually-shared commitment to consultation and co-operation, and the results are obvious.

The northern pipeline treaty, involving the biggest project of its kind in world history, was negotiated in surprisingly short order, despite dire predictions to the contrary. Several key issues involving the St. Lawrence Seaway were settled without recourse to formal legal proceedings. The contentious Garrison Diversion is to be modified to allay Canada's legitimate concerns and the International Joint Commission has again demonstrated its worth in dealing with this and other environmental problems, some in the Detroit-Windsor area.

Only a few months have passed since our two countries declared the 200-mile offshore limit, but already Canada and the United States have accepted the concept of joint management of fish-stocks and our negotiators are making good progress towards a permanent boundary settlement. All of these developments and many more have occurred during 1977 — a very good record for two countries whose governments and people are involved in literally thousands of transactions every day.

A Windsor-Detroit audience does not need detailed reminders of the extent of our interdependence, but a few statistics are in order. Canada and the United States do more business together than any other two countries on earth. American exports to Canada equal those to all of the European Economic Community and are two-and-a-half times U.S. exports to Japan. Canadian cross-border sales dwarf our exports to the rest of the world, with Canadian auto sales alone worth one-and-a-half times everything we send to the EEC.

And raw statistics tell only part of the story. Because of the intricate economic linkages, an improvement in the Canadian economy benefits the United States far more than a comparable rise in any other country or region; the reverse is equally true — in spades. It is not by choice only that we co-operate to fight today's major economic

problems — it is a matter of necessity. Neither country can enjoy real economic health while the other is ailing — nor can one nation remain insensitive for long to the other's legitimate concerns.

I have told of some of the major success stories in our relationship this year. A balanced view requires that I take note of some still-unresolved problems. There is the matter of West Coast tanker traffic, our still somewhat differing views on a suitable regime to govern sea-bed mining, the irritating and potentially very serious issue involving the extraterritorial application to Canada and Canadians of American law and the negative impact of the U.S. convention tax on a Canadian travel industry already suffering a deficit, in relation to the U.S., of close to a billion dollars annually.

This audience is very familiar with the Auto Pact and I suspect that few from either side of the border would seriously advocate its abandonment. Yet there continue to be obvious shortcomings in the arrangement. For instance, in 1976, Canada had a deficit in auto parts of \$2.5 billion, only partially offset by a surplus of \$1.5 billion in finished automobiles. Canadian agriculture encounters problems from time to time, often in the non-tariff-barrier field.

There are, of course, grievances on the American side also; border television is an example of which you in this region are well aware. There are U.S. complaints on occasion about the application of our Foreign Investment Review Act and with actions by some of our provinces and the Federal Government in the resource sector.

On virtually all of these issues, negotiations are continuing and I can report with satisfaction that there is across-the-board progress towards resolution. This is yet another mark of the good state of Canada-U.S. relations, for, in today's troubled economic times, countries usually move instinctively towards isolation, protection and confrontation.

I have touched on only a few of the many bilateral matters of common concern. No one speech can cover the full range of Canada/United States relations. Even if it could, we can be certain that, before the words were uttered, new elements would be added and other no-longer-relevant issues deleted. Such is the nature of one of the most complex and dynamic bilateral associations in the world.

Despite this ever-changing pattern, there are, nevertheless, certain constants in the relationship, most of them highly desirable and positive but a few, as we have seen, that produce on-going, inevitable tensions. These call for constant attention and mutual sensitivity if they are to be kept within manageable limits.

When speaking of our common interests and characteristics, the temptation to indulge in highflown rhetoric is almost irresistible. By any measurement, ours is a remarkable and unique example to the world. In my extensive travels, I have found nothing in either the developed or the developing world that comes even remotely close. Quite the contrary. Good neighbourliness and mutual trust between nations are rare ingredients indeed on this tragically-troubled planet.

Although I have discovered that there are many around the world who think otherwise, good Canada/United States relations are not something we inherited automatically along with our North American domiciles. We have had to work at it; we must still work at it. Otherwise minor irritants, of which there must be many thousands between Canadians and Americans in the run of a year, would soon accumulate and merge into a general feeling of antipathy and even bitterness. This is the fact, and the example we can convey in our international relations.

In our dealings with the world community, there is little real difference in the ultimate goals of Canada and the United States. This is not only because we consult on and co-ordinate many of our foreign-policy initiatives. It is also because, instinctively, we perceive international problems in the same way and usually arrive independently at the same conclusions. The essential difference, which can create difficulties, is that the United States is a super-power, while Canada's ability to influence and shape events is much more limited.

Middle East leaders told me last week that the United States holds 90 per cent of the cards needed to resolve the torment of that troubled region. The same was said by some regarding Cyprus and the various African conflicts. That does not leave much leverage or influence for the rest of us, including Canada — especially when, in other places and at other times, that other super-power, the Soviet Union, plays the principal role.

It would be easy for Canada to become a mere rubber stamp for American foreign policy, especially since, as I have noted, our objectives and interests so frequently coincide. Easy, no doubt, but most unwise from the standpoints of both our countries.

Canada is a great and sovereign country in its own right. We must be free to make our own decisions and policies and to differ with the United States when we feel this to be necessary. Also, Canadian interests are not always squarely on all fours with those of the United States. There are and will continue to be times when what we are seeking, and need to achieve, will diverge from American objectives, and, when we pursue different courses, we must do so openly and with a full understanding of each others' points of view.

Canada is deeply conscious of the world-leadership burden the United States is called upon to carry. We know that in this position the interrelationship between important issues is incredibly intricate. Citizens of both our countries are not sufficiently aware sometimes that international issues are not a series of individual water-tight compartments. Proposed solutions for one problem may be perfectly logical in that case, but their application would serve only to exacerbate another equally serious difficulty. When a smaller country or region, or even groups of people within our own countries, have a special interest in only one element of the interlocking global puzzle, it is not always easy for them to comprehend the failure to advance on the particular and narrow front of their concern. They fail to see sometimes the mutual exclusivity of individual initiatives each of which may be eminently sensible in its own right.

In terms of Canada-U.S. relations in the international field, this is an ever-present fact of life. Because Canada does not have the same global responsibilities and range of interests, there are times when we find it difficult to stay in concert with the United States. There are many such examples, but I will mention just one, because it is current and of overriding importance.

The threat of nuclear proliferation is a growing danger to the very survival of mankind. Canada and the United States, as well as many other countries, are at one in recognizing this frightful danger. We are even agreed in theory on what should be done about it, and I should emphasize that on many aspects of the problem there are encouraging signs of progress.

Canada is a world leader in the fields of nuclear-material supplies and technology. We believe that nuclear energy, properly controlled and safeguarded, offers one of the best hopes for a resolution of the present global energy crisis. In this, too, our capabilities and our convictions do not depart significantly from those of the United States.

Over recent years, Canada has moved progressively to establish what is today the most stringent nuclear policy on exports of any country in the world, including the United States. But, though we have shown leadership in the nuclear field, the effectiveness of our policy will remain limited, and even perhaps counter-productive, until there is a wider degree of international agreement on technology and safeguards than exists at present.

It is of the utmost importance that like-minded nuclear-supplier countries arrive at a common policy on this issue and that Canada and the United States, in particular, do not get out of phase in their efforts. We are working very closely to avoid this possibility but, for the complex global policy reasons I have mentioned with which the United States must cope, and for equally complex, though sometimes different, reasons affecting Canada, the achievement of a common approach to the wide range of nuclear questions represents a tremendous challenge.

I am happy to tell you that in recent days we have reached an interim agreement with the United States covering a broad spectrum of our bilateral nuclear relations and clearing the way for further joint efforts to achieve a more effective world-wide safeguards regime.

Thus, if this issue reveals the sometimes difficult nature of the Canada-U.S. relationship, it shows as well the determination to consult and co-operate which is the mark of true friendship.

An independent foreign policy for Canada is not only a necessity for a strong and vital country, it also provides that element of credibility which gives meaning and significance to Canadian support for United States initiatives in international affairs. If the world community took it as read that Canada would always agree with the United States, then Canada would be cast in the role of a mere cipher and we would be no good to anyone — least of all ourselves.

And we must be ourselves. Despite our deep and abiding friendship, we remain two distinct peoples, alike where it counts and different where it counts. For America, there has been the agony of civil war — the courageous act, one of the finest in all history, of facing up to and subduing racial intolerance and bigotry. There has been also America's remarkable resurgence after the tragedy of Vietnam and the recent constitutional crisis, the reaffirmation of that moral strength that helped to build the United States and upon which Americans have always been able to draw in difficult and trying times.

From our side of the border, we Canadians have watched the fascinating drama of a developing, evolving America, sometimes with concern, often with admiration and even envy and always with affection. Canadians appreciate the terrible burden of world leadership the United States has assumed, the remarkable generosity it has displayed and the equanimity with which it continues to endure the harsh and often unreasonable criticism that power and leadership cannot seem to escape.

Often around the world I see and hear glaring examples of man's ingratitude and of a widespread lack of comprehension of what the United States is seeking to accomplish. Those are times when it is my pleasure to seek to put the record straight, to say "they're our neighbours and they're not like that at all".

Canada has followed its own road to nationhood — different from that of the United States but in its own way no less troubled and difficult and no less rewarding. We possess today, on our half of this North American continent, a land of proud achievements and of incredible promise. We do not underestimate the seriousness and magnitude of our present problems or of the challenge we now face to our national unity. But Americans who have watched us for so long from their side of the border will know that our sense of national purpose remains strong, that our will and our ability to accommodate legitimate though diverse objectives has not diminished, and that the determination of the great majority of Canadians of all backgrounds and in every region is to build a stronger and even more united Canada.

As we pursue this important task, we appreciate the attitude of our American friends. The total absence of any improper interference is only what we would expect from a trusted neighbour. It should be an example for others.

Indeed, there is much in our relationship that others could emulate. We live in a world where trust between neighbours is in woefully short supply and where suspicion and cynicism are the principal ingredients in international dealings. How satisfying in such a climate to know that in Canada-U.S. relations a simple phone-call between Ottawa and Washington is often enough to resolve a serious problem and that a handshake can serve as well as a complex treaty.

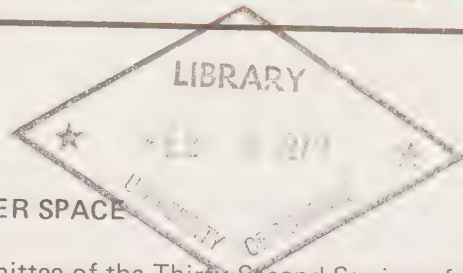
We Canadians want to keep things that way; I am sure you Americans do too. And we will!

S/C



Statements and Speeches

No. 77/22



PEACEFUL USES OF OUTER SPACE

Statement in the First Committee of the Thirty-Second Session of the United Nations General Assembly by Mr. William H. Barton, Ambassador and Permanent Representative of Canada to the United Nations, November 23, 1977.

It is a pleasure for me to take the floor once again in this Committee to place on record Canada's views on the two agenda items now before us, the report of the Committee on the Peaceful Uses of Outer Space and the formulation of a set of principles to govern direct television broadcasting by satellite. My delegation believes that these items are of particular importance and looks forward to our debate in the anticipation that progress will be made in our attempts to resolve the issues involved.

* * * *

This seems to be a year of anniversaries, and I think it would be appropriate, and perhaps also salutary, for us to note the accomplishments of recent years. It is 20 years since the Committee on the Peaceful Uses of Outer Space was founded, and 20 years since the first satellite was sent into orbit. Now man has walked on the moon and probes the secrets of the solar system and of other galaxies. Parallel with these remarkable scientific activities in outer space, much has been done on earth towards codifying international law in this domain. This is the tenth anniversary of the entering into force of the Outer Space Treaty, and three other important international legal instruments have also entered into force. Such achievements have demonstrated that the Committee is an effective instrument in resolving important issues of concern to member states; for this we can, I think, be justifiably proud.

The Canadian space program has matured in the past 20 years, and it too has seen its share of accomplishments. It was, in fact, 15 years ago, with the launch of *Alouette I*, designed and built in Canada, that Canada became the third nation to place a satellite in orbit. Subsequent Canadian achievements in space-science research, telecommunications, remote-sensing and in other areas of space applications have been numerous and have been reported previously to this Committee. I need not repeat them now.

What I should like to repeat is Canada's continuing and increasing commitment to co-operate in the development of new technologies and new programs with other countries. Since last we reported to this Committee, for example, Canada has explored with the European Space Agency possibilities for increasing the degree of mutual co-operation. The Canada Centre for Remote-Sensing has signed agreements to exchange information and personnel and to pursue mutually-agreed programs with the European Space Agency and with the Centre nationale d'Etudes spatiales of France. Following talks at senior levels, links are being forged with the appropriate Japanese space authorities for the exchange of information and the identification of specific and practical areas for co-operation. Finally, co-operation with our principal

space partner, the United States of America, continues to grow. There have been a number of developments in the last 12 months, but perhaps the most significant has been discussions examining the possibility of developing a joint program for an experimental search-and-rescue satellite system that would supplement existing methods for locating aircraft and ships in distress. A number of other countries are also interested in this experiment, and it may be that a truly co-operative and truly international project will emerge.

I should like now to refer specifically to the report of the Committee on the Peaceful Uses of Outer Space. I have already said that the Committee has accomplished much, and so I believe it has. Nevertheless, I am reminded that last year, when speaking to this same agenda item, I took particular pains to sound a note of urgency, to state that, if greater progress were not made, "technological developments, and the expectations of people around the world will together render our debate irrelevant". My delegation is pleased that some progress has indeed been made since last year. However, much yet remains to be done, and in our view there are two areas in particular in which further progress is necessary. The first of these is the question of direct television broadcasting by satellite (DBS).

In spite of the efforts of both the Legal Sub-committee and a working party of the Committee on the Peaceful Uses of Outer Space, it did not prove possible to complete a full draft set of principles on DBS during 1977. A development of relevance to the Legal Sub-committee's consideration of this issue was the World Administrative Radio Conference (WARC), held in Geneva earlier this year. This conference, which developed detailed plans for the broadcasting-satellite service in the 12-GHz band, based its work on the principle that intentional broadcasting by one state to another required the agreement of the receiving state.

At the sixteenth session of the Legal Sub-committee, Canada and Sweden jointly introduced a revised draft principle entitled "Consultation and Agreements", together with a draft preamble. These texts, which were consistent with the 1977 WARC, provided the basis for negotiations both in the Legal Sub-committee and in the parent committee. During both sessions, the Canadian and Swedish delegations urged the adoption of the compromise texts, which represent an effective balance between the need to facilitate the orderly development of an important new area of technology and the need to protect the sovereign right of states to regulate their communications systems. Canada is convinced that the texts developed in New York and refined in Vienna can provide the foundation for consensus on a full set of principles at the next session of the Legal Sub-committee.

A second area of particular Canadian concern is remote-sensing. Progress is being made in attempting to formulate a legal framework that might be established to govern remote-sensing of the earth by satellite. In our view, such a framework, based primarily on the identification of "common elements" in the various proposals that have been put forward, should reflect a balance between the need to ensure the greatest possible benefits to the world community through remote-sensing activities and the need to safeguard legitimate national interests.

Progress is also being made on the technical and scientific level as increasingly sophisticated radars are developed and remotely-sensed data are found to have more and more applications. Where sufficient progress is not being made is on the organizational and political level. A number of delegations at the last meeting of the Committee on the Peaceful Uses of Outer Space expressed concern over the lack of co-ordination of the increasingly-disparate remote-sensing efforts of a growing number of countries. As a result, the Canadian delegation proposed, and the Committee agreed, that the Scientific and Technical Sub-committee give high priority to questions relating to the co-ordination on a global basis of remote-sensing activities. This was a positive step, but a step that will be meaningless unless we are able to define more precisely what it is we want from remote-sensing and how we should organize ourselves to realize our objective. In this connection, it is noteworthy that the Scientific and Technical Sub-committee, in its report, encouraged those countries that were contemplating the establishment of pre-operational remote-sensing systems to consider their compatibility and complementarity with existing systems. Another idea that has been mooted in the past involves setting up a system or systems of internationally-owned satellites that would be co-ordinated by an international body, much like the World Weather Watch system of the World Meteorological Organization. This might be a good idea; it might be a bad one. What we are saying is that the present situation calls for more ideas, for imaginative and creative thinking, or the problems we face in this area will become intractable. It would not augur well for the efforts of this organization to break down the barriers that have separated nations for years if we are unable to avoid polarization in this new and developing field.

My delegation is pleased to note that some progress was also made during the last session of the Scientific and Technical Sub-committee in regard to the technical definition of terms connected with remote-sensing, including "data" and "information". Unfortunately, the Legal Sub-committee was unable to make use of them in its efforts to agree on a legal régime to govern remote-sensing. The Canadian delegation was thus gratified that the main committee, at its meeting in Vienna in June, took a decision on this matter that is reflected in Paragraph 39 of its report.

My delegation is also pleased at the movement that is being shown in considering the question of holding a second United Nations conference on outer space. In our view, this is a question that requires more careful study — study of the subjects such a conference would address, how it would be co-ordinated with other conferences, when it might most usefully be held, and such organizational aspects as its financing. The establishment of working party of the Scientific and Technical Sub-committee to examine these questions is an important step, and we look forward to playing a constructive role in that working party under the capable and experienced guidance of Professor Carver.

In this connection, I should like to recall that, in Paragraph 77 of the main committee's report, mention was made of the desirability of governments submitting to the Secretariat at an early date their ideas and recommendations concerning this proposed conference. If such submissions are received sufficiently in advance of the consecutive meetings in February 1978 of the Scientific and Technical Sub-committee and of this working party, the preparation of a comprehensive report, despite the inevitable pressures of time, may still prove possible.

Before concluding, I should like to make a brief allusion to one passage in the speech given on November 21 by the distinguished Chairman of the Committee on the Peaceful Uses of Outer Space, Ambassador Jankowitsch, in opening our debate. He referred at that time to the fact that the Outer Space Committee was not an "exclusive club" composed of member states from the developed world. I should like to reiterate his sentiments and call for ever-increasing involvement in the work of the committee by other member states, particularly those from the developing world. Indeed, a number of countries have already availed themselves of opportunities to participate in the work of the main committee and its two sub-committees in an observer capacity. We should, therefore, wish to support the resolution introduced by the Austrian delegation calling for a study by the Outer Space Committee itself of the means by which wider participation in its work might be facilitated, whether through an expansion of its membership or through other methods. That having been said, it should perhaps be noted that one reason why the endeavours of the committee to date have been accomplished in an efficacious manner is just because its membership, while fully consonant with the principle of equitable geographical distribution, has been kept to a manageable size.

Finally, I should like to state that my delegation is pleased to co-sponsor the omnibus resolution on the peaceful uses of outer space that has just been introduced this afternoon by the Austrian delegation. The resolution makes very well the two points that have been the main theme of the Canadian delegation's intervention — namely, that we note with considerable satisfaction the work that has been done but do so conscious of the work that yet remains unfinished. It is my delegation's conviction that progress can be made during this next year, and in this collective effort I pledge Canada's full support and co-operation.

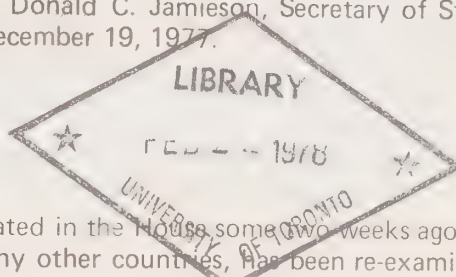


Statements and Speeches

No. 77/23

CANADIAN POLICY TOWARDS SOUTH AFRICA

Statement by the Honourable Donald C. Jamieson, Secretary of State for External Affairs, House of Commons, December 19, 1977.



... As the Prime Minister indicated in the House some two weeks ago on December 5, Canada, along with a great many other countries, has been re-examining the attitude it ought to take beyond what has already been done by the world community in response to those actions that in recent times have been undertaken in South Africa, to which we in Canada take the strongest possible objection, and with which we — and I am sure this extends well beyond the Government of Canada — are in major disagreement.

It is true, of course, that in other countries of the world there are clear violations of, and disregard for, human rights. There, too, Canada is expressing its concern, as are all members of this House. South Africa, however, stands alone. It is the only country that, as a basic part of its government structure — whether it is constitutional in the legal sense is beside the point —, has a declared and unequivocal policy. It stands apart as a country that makes decisions affecting human beings on the basis of race and colour. Therefore, over time, it is not surprising that the attitude of the vast majority of the countries of the world has become harder, particularly during these past months, when we have seen an increase in the amount of repression, rioting, and especially in the disturbances that followed the still-unexplained death of a respectable and respected black leader of South Africa, Steve Biko.

Along with others, Canada has been asking what further steps we ought to take in order to display and to demonstrate our disapproval of the present regime and our disapproval of *apartheid*. We strongly believe that what must come in South Africa is the destruction of that kind of system, the introduction of the principle of one man, one vote, and of the normal democratic process which all of us in this part of the world take for granted.

I am, therefore, announcing today that Canada is phasing out all its Government-sponsored, commercial-support activities in South Africa.

For example, we shall as quickly as possible withdraw our commercial counsellors from Johannesburg and close the office of the Consulate General in that city. We shall also withdraw our commercial officers from Cape Town. We shall, of course, maintain our diplomatic officers in Pretoria for normal business, because we do not feel that the breaking-off of diplomatic relations at this time is advisable. We wish to still have an opportunity to do what we can in order to impress upon the Government of South Africa the necessity for change. We also want to have an opportunity to talk to respected leaders who are opposed to *apartheid* in South Africa.

In addition to this phasing-out of our commercial activities, we shall also withdraw all Export Development Corporation government-account support from any transactions relating to South Africa. This involves, for example, export-credit insurance and loan insurance, as well as foreign-investment insurance. This is a step that is not as complete as what may very well come in time. We are examining the implications and the possibilities for other such actions. After consultation with the Canadian companies concerned, we shall be publishing a code of conduct and ethics for Canadian companies operating in South Africa, designed to govern their employment and similar practices. This will be done as quickly as possible.

The fourth measure is related to South Africa's former membership in the Commonwealth, which we now propose to change. From a date to be announced, we shall require non-immigrant visas from all residents of South Africa coming to Canada. We have asked the appropriate officials to examine the impact and the capacity that is open to us to renounce the British preferential tariff. It is still in effect even though the Commonwealth membership of South Africa has long since ceased to exist.

In addition to all of these measures, we are very much concerned about two other aspects of South Africa and South African operations — namely, the activities of Canadian companies in Namibia. Once again, we have asked the officials of the Department of Finance and others to look as quickly as possible into all the implications of possible tax concessions and the like that these companies may be obtaining, and that are being provided by what is essentially an illegal regime in Namibia, by our standards and by our demonstrated conduct at the United Nations.

We are also establishing possible codes of conduct for further investment by Canadians in Namibia. It may be asked — I am sure it will be — why these measures are not introduced immediately. There are two reasons: first, we want to be very sure that we do not penalize Canadian companies that may have been active in that country under legitimate and perfectly acceptable processes. Nevertheless, there is unquestionably an incongruity in a situation that permits an illegal regime, by world definition, to be benefiting with Canadian companies in the manner I have outlined.

There is a second reason why we are withholding, for the time being, any further action. We continue to hope that a means will be found of ensuring that there is a peaceful and satisfactory solution for Namibia, one that will bring about equality — one man, one vote. We hope this can be done through negotiations and the process in which Canada is participating, which relates to the five Western members of the Security Council talking with the Government of South Africa and the other parties concerned.

In the process of making this statement and of expressing my hope for a peaceful outcome in Namibia, it is also Canada's hope and wish that the black leadership there, as elsewhere in South Africa, will show its own high level of responsibility. We hope it will do everything reasonable and possible to bring about transition by peaceful means, rather than plunge another region on that tragic continent into the kind of bloodshed we have seen repeated over and over again in recent years.

There is one final point. We shall keep the whole South African situation under review. We are moving now to make sure that our own embargo against sales of arms to South Africa is on all fours with the recent declaration of the Security Council that placed an international embargo on arms shipments. This is the first time in the history of the United Nations that such an embargo has been imposed on a member state. I believe this is a step in the direction it is inevitable and appropriate for us to take. I re-emphasize that we shall keep the whole South African situation under review.

S/C



Statements and Speeches

No. 77/24

CURRENT ISSUES OF CONCERN TO CANADA AND THE INTERNATIONAL COMMUNITY

A Statement by the Honourable Donald C. Jamieson, Secretary of State for External Affairs, in the House of Commons on December 19, 1977



* * * * *

In a single speech or in one debate it is not possible to cover all aspects of international affairs. I have decided this afternoon to confine most of my remarks to those issues in the international realm that impact most directly upon the people of Canada, and also those that have caused the greatest amount of concern in recent months. Meeting both of these criteria, very obviously, is the question of the world economy and the new economic order, as it has come to be called, throughout the international scene.

Some weeks ago, I gave the House a rather comprehensive report on the various activities taking place in such organizations as the International Monetary Fund, the Organization for Economic Co-operation and Development (OECD), and a number of similar agencies. Therefore, it is not my intention today to deal with these in any great detail. However, by way of recapitulation, I should like to refer briefly to three subjects I am sure will be touched upon by other speakers from both sides as this important debate proceeds.

Outcome of London summit conference

First, I refer to the summit conference of last May, in London, and the events that have flowed from it. Among those are the "North-South Dialogue", or the search for the new economic order, as well as the multilateral tariff negotiations (MTN). All of these — and particularly the focus that was brought to them by the summit — illustrated once again the interdependence of the world and the growing necessity for us to consult with one another, not only in the developed world but also with the Third World. This is necessary if we are to find solutions for what are generally described as basic structural changes in the world economic system.

There is now general agreement, given the precarious nature of the economic structure at the present time, that resolutions of a satisfactory nature will not be found unless we recognize that old solutions imposed on new circumstances will be inadequate. Therefore, the search is on in a wide range of forums in order to determine how we must approach these new developments.

In the case of the summit, there was general agreement that we must resist what are obviously the growing forces of protectionism. Canada, more than any other developed country, recognizes that there is a fine line we must follow between ensuring that existing industries and existing sources of employment are reasonably protected, while at the same time doing those things necessary to ease the general

pattern of world trade to make access to foreign markets better for us so that we can, from a comparatively small domestic base, expand in a manner that will be necessary if we are to meet the increasing demands upon the economy and if we are going to be able to support the general standards to which our people are entitled.

Before returning to the multilateral tariff negotiations, I should like to refer to a very serious concern of those who met at the summit, including the Government and the Prime Minister of Canada. That is the tremendous problem of world unemployment, particularly in the developed world. It is a phenomenon that has not shown up previously or, at least, to the same extent as at present. It is one of the permanent structural changes to which I referred a few moments ago that will require new initiatives and new techniques.

No one contends that there are any easy answers. However, during this past week the OECD held a high-level meeting in Paris. It was attended by the Minister of Employment and Immigration...among others. It was attempting to see what kind of international action or impact might be brought to bear on something that, happily, in this country has not so far created serious unrest of a dangerous kind but in some countries, including some with long democratic traditions in Europe, is of real concern in the sense that it is posing a threat to the very democratic foundations of those societies.

Of course, we shall have to deal with these matters in the domestic context also and undertake whatever measures we can devise jointly, or as a Government, in order to do what is possible within the framework of our own responsibilities and capabilities. But in this, as in so many other matters these days, it is becoming increasingly apparent that we shall have to rely more and more on international instruments; and, of course, one of those is the multilateral tariff negotiations.

Multilateral trade negotiations

Let me say very briefly...that what might be described as crucial talks, in terms of the multilateral tariff negotiations, are coming at what is admitted on all sides to be a most inopportune time, and certainly one vastly different from what was in existence in 1973, when the "Tokyo Round" was launched. Since that time we have had the incredible and dramatic changes brought about by the OPEC (Organization of Petroleum-Exporting Countries) decisions and what has come to be called the energy crisis, and we have had a whole series of other international events that have sharply dampened the enthusiasm of many developed countries for the kind of across-the-board tariff-cutting mechanisms that appeared in 1973 to be highly advantageous to all.

Yet, as I said a moment ago, those who met at the summit in London, and also those who participated, including myself, at the OECD meeting in Paris subsequent to the London summit, concluded without reservation that there was no alternative but to press ahead with what will, we hope, over time be a comprehensive improvement in the overall tariff structure.

I should mention, also, at this point that, of course, most of the emphasis quite naturally tends to fall upon tariff reductions or changes. But for Canada, as for many other countries, an equally important, if not more important, aspect of the MTN is the whole question of non-tariff barriers. This, too, is being addressed in what I think Honourable Members will find is a comprehensive and far-sighted way. No one has any illusions that this process will be either easy or quick. It will take a very long time, and indeed it is quite possible that we may not proceed with a single action but may provide for periodic assessment along the way. In other words, no one in Canada, either from the optimistic or the pessimistic side, should expect or anticipate that there will be some dramatic overnight change in the present scheme of things. Obviously, this question has to be approached with great caution and great care.

In addition to that, of course, we in this country must also examine what we can do domestically in those cases where transitional or other forms of adjustment-assistance are required to ease any potential burdens that may emerge when the final listings are made and the exercise is over. But I repeat that I believe we are embarked, as a country, on the wise course.

After all, it has become something of a cliché in Canada to say that we must export in order to survive. It follows almost automatically that a climate receptive to export or, for that matter, a climate receptive to imports from around the world, is highly advantageous for Canada, particularly in view of the quite dramatic changes that have been taking place in the last ten to 20 years, which have seen very large organizations of countries coming together. I refer to organizations of countries such as the European Economic Community (EEC), the ASEAN (Association of Southeast Asian Nations) group, and many others. This means that Canada, with 23 million people and a comparatively small manufacturing and production base, must look outward and must avoid at all costs an international community that is inward-looking, if we are going to have those export opportunities.

There is a great deal more that could be said and will need to be said, and a great deal more consultation will have to take place with provincial governments, with various industrial sectors and, indeed, with the Canadian community at large, before final and definitive decisions are taken with regard to MTN. But I thought it important, in the context of this debate, to emphasize to Honourable Members that Canada is taking a very strong role and considers it important for the country that we have as one of the central pieces of our foreign policy this total involvement, to the maximum extent possible, in various international organizations, which, in the last analysis, will have a tremendous, if not decisive, effect upon how quickly we emerge from the current depressing and unfortunate circumstances in which not only we, but all the industrialized countries, find ourselves.

In this connection...it is parenthetically interesting to note that, while one can never be sure until these events are concluded, there is considerable encouragement in the news coming from Venezuela, where the OPEC countries are presently meeting, which seems to suggest that we are likely to see a freeze on oil prices at least for the next year or so.

I might add that we in Canada have been active, along with other Western governments, in making representations to the OPEC countries in an effort to persuade them that that kind of posture is the one that best serves the world community at the present time and that also, of course, in the long run serves their interests. This whole issue of the world economic situation bears very heavily on Canada's relations with its major friends and trading partners in the international community. I am referring to such countries as the United States of America, the countries of the European Economic Community, and Japan, as well as others.

**Canada-U.S.
relations**

I should like to take a moment now to deal, once again very briefly, with our current state of relations with various countries I have mentioned. Turning first to the United States, I am happy to be able to tell the House that in my judgment — and it is one, I believe, that is widely shared — Canada-U.S. relations are in better condition today than they have been for a very long time in the past. I am by no means assuming, accepting or suggesting that the Government deserves all the credit for this situation, but I am happy that we have been able, during these past 12 months in particular, to undertake certain projects and discussions with the United States that have helped to create a set of circumstances that I am happy to report are most encouraging and helpful at present.

The Prime Minister has twice visited President Carter since his inauguration, and my own relationship with Secretary of State Vance is most friendly and co-operative. We have had many meetings in the last eight or nine months, not only on matters affecting Canada-U.S. relations directly but also we have been able to co-operate most effectively in concerting our efforts in terms of a number of international initiatives. Also, many of my colleagues who have direct relations with departments and agencies in the U.S. have been able to have close relations and make co-operative arrangements.

I am also pleased to note that members of the House of Commons and of the other place have substantially increased their negotiating and their discussion arrangements with their colleagues in the U.S. Congress....

I should say that, quite frankly, we in this country frequently tend to ignore, or at least to forget, the fact that there is a duality in the American system, and that while you can have good relations so far as the Executive Branch is concerned in Washington, it is of equal importance that the Parliamentary and the Congressional parts of our systems also have frequent and, indeed, almost day-to-day contact. We have set up in the past year...an arrangement whereby that is going to be possible to a greater degree than ever before.

I do not want to take the time of the House to detail the literally hundreds of issues that have arisen and have been resolved quietly and, indeed, in most cases, without publicity over the past year. We are all aware that, in a relationship as intricate as that between Canada and the United States, there are tensions that develop daily and irritants that arise daily that must be disposed of. Happily, the vast majority of them are without any serious consequences. However, I should like to mention just three

areas in support of my claim that relations with the United States are in very good order at the present time.

There is, for example, the fact that we were able to conclude the Northern Pipeline Treaty, which I think by any assessment or measurement indicates a high level of co-operation between the two countries. I am also happy to say to the House that, despite early forecasts of failure, negotiations with regard to the maritime boundaries — probably one of the more complex issues to arise between us in the last 25 or 30 years — are now moving along very satisfactorily. Certain matters have now been established in principle with regard to joint management of fish-stocks and the like, and the two negotiators felt sufficiently satisfied with the progress they were making to request from their governments an additional month, until 31, 1978, in which they are reasonably confident they can conclude the negotiations satisfactorily.

Of course, as I said a moment ago with regard to the OPEC meetings, one can never be certain on these matters until the ink is dry on the agreements. Nevertheless we have come a very long way since January of this year, when there was very little to assure us that there could be this kind of agreement without, at the very least, a third-party intervention.

The other point with regard to the United States that demonstrates the way in which we have been able to work together is the announcement made over the weekend by my colleague, the Minister of Transport, with regard to the agreement arrived at on phasing-in the St. Lawrence Seaway toll increases. Once again, here was a case where each country accommodated the other in a manner that I believe met the objectives of both, and it was not necessary, in this case either, to fall back upon the legal mechanisms and provisions in the treaty for renegotiation and the like.

Therefore, while we shall always have certain difficulties and tensions with the United States, I think it is important for us to state at this time that the United States continues to be not only our best customer, by a very wide margin, but also our closest friend and, in the long run, the country with which we find we can co-operate — for a whole range of logical reasons — most successfully and most beneficially, in terms not only of economic matters, to which I referred a few moments ago, but also of advancing efforts towards a more permanent peace in the world. On the vast majority of occasions we find ourselves, in this respect, with no difference of view from the United States as to goals, even though on occasion our techniques may differ somewhat from theirs.

Canada and the EEC

In this overview of our relations with various countries in the world, I should like to turn now to the European Economic Community and in the process to say a word about the nuclear negotiations that have been going on for a very long time now, but, I am happy to report, appear to be at least within reach of being settled satisfactorily for all sides.

Before I deal with the nuclear question, however, let me just say a word about our relations with the Community in general. It is just about a year ago today that I,

along with my Community colleague in the Canada-Community Committee, inaugurated the first meeting in relation to the so-called "contractual link", the familiar name that has been applied to the special relationship between us.

In the past year, this Committee has proved to have had considerable value, if for no other reason than it has given us a forum or an opportunity in which to discuss various problems that arise between us, not the least of which in recent weeks, incidentally, has been the matter of the quotas we found it necessary to impose and the decisions we had to take with regard to such things as textiles and footwear. Prior to the establishment of the Committee, these matters had no home, as it were, in terms of a negotiating base. Therefore, if for no other reason, the Committee is a worthwhile instrument.

There have also been some slight improvements in terms of the economic relations between Canada and the Community, but I think it is reasonable to expect that any substantial increase in trade must await the resurgence or the reactivation of the economies of the Western European countries. As things stand at the moment, there is a tremendous amount of slack in the economies of these highly-industrialized countries. I am thinking of steel, as just one example for Germany and for Britain, but there are many more. Therefore, as long as that condition continues to exist, it is not very likely — nor, indeed, is it possible — for them, in many instances, to increase substantially their imports from Canada.

Nevertheless, I believe — this appears to have been borne out by businessmen, who visited the Community recently, and by others — that a good relation exists, that there is a commitment on both sides to work more closely together, and that, over time, if the business community in Canada seizes the opportunities, there is no doubt in my mind that we can, in fact, increase significantly the amount of exports to the Community.

However, one must always bear in mind, in these matters — as I said a few moments ago in relation to the MTN — ,that, if we are going to get additional exports from Canada into the Community, we must also be prepared to look at the areas of trade in which they are interested and that we may be able to employ in order to help with this two-way traffic.

Again, I do not wish to take the time of the House with a detailed elaboration of all the matters that relate to the contractual link and to the whole range of new opportunities and new potentials that exist for us. However, I do want to say that, as I travel about Europe — and, incidentally, other parts of the world as well —, it is obvious to me...that we in this country must (this applies to the private sector in particular) find new techniques and a more aggressive approach in terms of selling in unfamiliar territory.

For a very long time the majority of business was conducted between Canada and the United States. There were exceptions, but it is clear that the Canadian business community — I repeat, with some exceptions — needs to revamp its thinking, to

employ new techniques and to get to know what the real opportunities are in various places. These opportunities exist not only in the Community but in many parts of Africa, in Latin America and in Southeast Asia as well.

Nuclear question

Having said these few words about the general relation with the Community, let me turn to the nuclear question, which has involved, for me at least, the most difficult set of negotiations that have taken place during the present year....

First, let me say that the agreement has been accepted by the Government of Canada. It has been accepted because it meets all the requirements of the 1974 policy....

I say that it has been agreed to by the Government of Canada. It is not yet approved by the Council of Ministers in Europe, and we have no assurance that it will be. I can tell Honourable Members that there are countries within the Community that are taking strong exception to some of the requirements, and it is not inconceivable that they may decide not to accept them.

Basically, to repeat the first point I made, the agreement will meet all the requirements of the 1974 policy. The second point that it is important to understand is that all Canadian material going into the Community will be under full IAEA (International Atomic Energy Agency) and Euratom (European Atomic Energy Agency) safeguards as they relate to all reactors within the Community, wherever located. In short, the basic foundation of Canadian policy — that Canadian nuclear supplies will not be used for anything other than non-explosive nuclear purposes — has been fully met.

The third point that I think Honourable Members will be pleased to hear is that no nuclear supplies from Canada will be used in French reactors unless and until the French Government accepts IAEA and Euratom safeguards. In this connection, I am pleased to tell the House that we have been able to obtain agreement from the Government of France that they will accept such safeguards covering Canadian material. Furthermore, we have insisted, and France has agreed, that any plutonium derived from Canadian-sourced material also will only be used in terms of the civilian nuclear program. The fundamental point...is that the French Government has accepted IAEA and Euratom safeguards and has agreed to proceed to apply these. Unless and until it does, and unless these are "in place", no Canadian material will be used in any French reactor.

The next point that I should like to touch on is the question of the transfer of sensitive nuclear technology, another question on which several questions have been raised in the House during the past few months. Once again, there will be no transfer of sensitive nuclear technology from one country to another within the European Community unless the receiving country has a bilateral agreement with Canada that such transfer is permitted. Not only, therefore, do we have the IAEA kind of safeguards, but in addition it will not be possible — and we shall use France as an example — to acquire any Canadian technology unless and until a country has negotiated a bilateral agreement with Canada.

Reprocessing issue

The next point, which is very familiar to Members and which I think is known, proved to be the most difficult of all the negotiations, with the possible exception of

some of the bilateral questions with France. I refer to the question of reprocessing. I think it is necessary for me to attempt, on this highly complex subject, to give the House a layman's assessment or explanation of what exactly is in play in connection with this very important issue.

Basically, there are two points of view in the world community on the issue of reprocessing. One, articulated most recently by President Carter of the United States, is that reprocessing is not a necessary part of any civilian nuclear-development program. It ought to be emphasized that the President and the Government of the United States have not excluded the possibility of all reprocessing for all time. What has been said by the President, with which we concur, is that, because reprocessing tends to lead to proliferation in the amount of plutonium, and since it is inevitably linked to the fast-breeder reactor, therefore we need to know a good deal more about it before we plunge headlong into the development and creation of these fast-breeder reactors, and it is also necessary to take a hard look at how reprocessing is going to be done, the nature of controls, and such questions.

There is a second school of thought, and equally legitimate, I am told, by the scientific community — although there are differences of view amongst different people, and this is not a subject lacking in emotion. One may take the view of the President of France, the Chancellor of Germany and all the leaders of the European Economic Community, or what I might describe as the energy-short industrialized countries of the world, many of which have virtually no other sources of available energy at the present time; at least, that is their contention and their view and it is not my position to argue with them....

**Argument in
favour**

I have looked sufficiently hard at such countries as Germany, and have learnt...that they would be hard-pressed at the present time to totally abandon any civilian nuclear-energy program. This is a matter of opinion. I repeat, they feel strongly that, in terms of reprocessing, it is an essential and necessary element of their civilian program. Their argument is defensive, at least on the surface, to the layman. I shall come back to why the layman's judgment in these matters must sometimes be questioned. The point is that reprocessing provides up to 60 times the utilization of the same amount of uranium as does the straightforward, conventional use of uranium through enrichment and nothing else.

Countries that have seen their economies badly battered in the last four years as a result of the OPEC action and the general price rise in fossil fuels are, in effect, saying that they want to utilize to the maximum extent whatever fuels are available and that they cannot simply turn their backs on a process that will give 60 times as much utilization as non-reprocessed material.

Those, highly oversimplified, are the two main arguments. It is a mistake to say they are mutually exclusive. This mistake is frequently repeated by a great many people. Europeans, on the one hand, are not going headlong into reprocessing and fast-breeder reactors. Indeed, even in the most optimistic "scenario", we shall probably be pretty close to the year 2000 or beyond before there can be any

significant change from what we have at the present time. I repeat, to this point they are not committed to any argument. At the same time, it is a misrepresentation to say that the United States is completely opposed to reprocessing or to fast-breeder reactors.

I might point out that, within recent months, the United States has done a number of things, all of which impacted to some degree on Canadian policy and were part of the whole question of negotiations. First of all, the United States did continue with a high level of research on certain aspects of the matter we have been discussing. The United States resumed shipment of enriched uranium to Europe. The United States provided certain uranium for India, and the United States made an arrangement with Japan so that its pilot reprocessing plant could proceed.

All these things have happened since the original declarations about reprocessing were made, and all came to a head at the London summit, when the energy problem was discussed in all its aspects. As a result of that very thorough discussion and assessment, a decision was made to find out not just what one group or another thinks, not merely to accept the layman's sometimes emotional response, but to have a thorough and complete scientific and other types of assessment of the so-called "full-fuel" cycle.

This decision, taken in May, changed something else. It was concluded initially there, and subsequently by Chancellor Schmidt and our Prime Minister during the Chancellor's visit to Canada, that it ought not to be an assessment confined to the so-called "suppliers' club", or "nuclear club". As a result, INFCE(P) — International Nuclear-Fuel-Cycle Evaluation (Program) — was expanded and invitations extended to other countries, including some in the Eastern bloc — for example, the Soviet Union — and to others such as in Latin America, so that it is much more broadly based. It was, therefore, judged that it would be more credible in terms of its results than if it had simply been the small club of nuclear-suppliers arriving at a conclusion among themselves.

These are the elements, together with these two options, that come into play in our discussions with the Community as to all the circumstances in which we should be prepared to resume shipments. I emphasize that the embargo, now a year old, is beginning to exact very serious penalties and impose heavy strains on our friends in the EEC, who are also our allies, part of the Western Alliance and members of NATO. We can scarcely regard them as being, in such a context, suspect.

Furthermore, bearing in mind what I said about our wish to maintain good relations with Europe, an obstinate and unreasoning resistance on our part to the resumption of shipments would clearly be taken as an unfavourable act; indeed, it has already been so interpreted in some quarters. Yet, at the same time, we were not prepared to negotiate a situation in which the Canadian safeguards were ignored, either in terms of the other elements to which I referred earlier and where there have been significant improvements over the 1959 agreement, or for nuclear supplies without any restraint in terms of reprocessing.

The dilemma, therefore, boiled down to whether or not, given the existence of the study and Canada's participation in it, given the significantly different points of view, there was a way in which we could properly ensure that the ongoing needs of the present reactors in the Community and the identifiable needs for a little while to come could be met. The resolution flowed basically from the agreement and from the principles agreed upon by the Prime Minister and Chancellor Schmidt in July of last year, that we should undertake to resume supplies of uranium to the Community under all the conditions I mentioned earlier for the period of the INFCE(P) study or for the two years.

...It is estimated there will be the time of the study, plus one year, in which to negotiate a subsequent agreement. In essence, that is the situation. We should be willing, in the case of Europe, to do what I have said....

Veto question

The word "veto" is a regrettable one to be used.... It has been assumed that we should say no, whereas, of course, what was meant, particularly in the case of the EEC and friendly or allied countries, was that we should have the right to say either yes or no.

There is a great deal of difference. If Honourable Members are suggesting that we ought automatically to say no, they are taking the position that no reprocessing ought to be done in any circumstances. I emphasize that, in the view of the Government, such a judgment cannot be made now. So we are suspending that judgment for the period of the study, or for two years, whichever is the shorter. We shall then be in a position to negotiate, I hope, a longer-term agreement, which will not only involve Canada and the EEC but Canada and the whole world community. In the meantime, however, it is not just a question of *carte blanche*. In the first place, the reality of the situation is that very little of the nuclear supplies either presently shipped or likely to be supplied in two to three years will be reprocessed.

...I think the scientific people would tell us, on the basis of the technical competence that exists today, it is likely that only a very minimal amount could be done in two to three years. So in real terms there is no great change. What we have done is obtain an agreement with the Community that no reprocessing will be carried on without prior consultation with Canada.

There will, of course, be some who will make a great deal out of the fact that consultation is not the same as consent. My answer is that we are dealing with friends and allies; we are not dealing with people we would normally suspect....What we have said is: All right; if you agree that before any Canadian material is reprocessed there will be worthwhile consultation with us, we shall resume shipments under certain circumstances and conditions.

There was, of course, another element here that we had to take into account — namely, that there was already a good deal of material in Europe, material that had been shipped many years ago but that was still being used in one form or another and could not, in normal circumstances, be made subject to any retroactive agreement whether a veto was in operation or not. This being the case, what we managed to do

in the case of the Europeans — and I am by no means sure it will be acceptable — was to get an undertaking from the Community that none of the previous material, none of the material shipped prior to 1974, would be reprocessed unless we were consulted in a worthwhile way.

Remember, any new material to be shipped is not likely to be reprocessed until well into the 1980s, and perhaps later than that. Therefore, by getting retroactivity through invoking clauses that existed in the 1959 agreement requiring consultation, we now have a position whereby all the material in Europe will be subject to consultation. Furthermore, we have undertaken with the Community not to act merely in a customer-supplier relation but, in addition to the INFCE(P) study, we shall conduct our own examination of the way in which this system of consultation works in connection with reprocessing. So by the end of the study, when the time comes for us to seek long-term arrangements with the world community, we shall have experience upon which to rely.

I emphasize once again that all the elements of this package I have described conform to the 1974 policy statement. The alternative facing those who would have wished a continuance of the embargo is to place one of the major groupings of countries in the Western world in a position of serious deficit in a period when they have willingly entered into an agreement to study the implications of reprocessing in the fast-breeder reactor program. We have simply said we shall do nothing until a study has been completed.

The second element is that we cannot go on indefinitely mining uranium and keeping it in stockpiles. There is an economic side to it. It was not in any sense a dominant issue, but I have no doubt that if we had, in an unreasonable way, refused to resume shipments to the Community there would have been criticism on the other side that, because of what is essentially a narrow question of disagreement, we had, in fact, caused problems for our friends and difficulties at home.

Problem of Japan

The next question that arises is: What will happen in the case of Japan? At the present time, as I think I have mentioned in the House, I have signed an interim agreement with the United States on one of the major problems that existed in the case of Japan — namely, that of double-labelling. I am not going to take the time of the House to deal with this intricate subject, except to say that I believe the Japanese had, and do have, a reasonable point. If they are going to be subject to American controls when the enrichment is done in the United States on the same material, it is extremely difficult, if not impossible, for them to adhere to a set of separate and distinct Canadian controls. So we do have a basis now for resolving that particular issue.

I have indicated that, in the case of Japan, we should be prepared to offer them the same kind of arrangement, although the circumstances may be somewhat different in that case from that which we have sought at least to negotiate with the Community. I emphasize once again that this has been an extremely difficult and complex negotiation, but I am prepared to defend what we have decided upon, if it is approved

by the Community, as being the best possible arrangement under the circumstances, and the widest one, given all of the elements that are in play.

* * * *

Relations with France

Now...I wish to speak very briefly about our relations with France. Of course, I do not need to remind you that relations between Canada and France are based on historical, linguistic and cultural affinities as well as on the development of an economic and political co-operation that I consider very important.

However, those naturally harmonious relations are going through a difficult period, particularly since Mr Lévesque visited France last November. It is partially caused by the domestic situation in Canada and the ambiguity shown since then by the French Government concerning the internal situation in Canada. After the visit of the Quebec Premier in France, we asked the French Government for more details on its policy concerning relations between Canada and France and the proposal for France-Quebec annual meetings at the prime minister level. Since then we have received written assurance from the French Government that its policy concerning Canada remains unchanged and that it will not interfere in the Canadian political debates and will respect the Canadian constitutional framework. We took note of this assurance and I for one consider that the issue about the Lévesque visit in France is closed. However, we shall continue to remind the French Administration of the necessity to consult us before signing agreements with provincial governments, just as we shall continue our discussions on the issue of prime ministers' annual meetings.

We are also concerned by other aspects of our relations with France. For instance, their intention to prohibit the importation into France of young-seal skins. I met my French counterpart, Mr de Guiringaud, in Brussels, specifically to discuss this issue, two weeks ago. In the meantime, we have sent to the French Administration a memorandum to demonstrate that this species is not in danger and that it is scientifically proved that the slaughter means used are the least traumatic for the animal and that allowances have been made within GATT for those products. I hope that the French Government will recognize the validity of our argument and will change its intention of banning young-seal-skin imports into France.

The issues of the delimitation of the territorial limits between Canada and France near Saint-Pierre-et-Miquelon and our fishing relations continue to present some difficulties. The fact that early this year France and Canada proclaimed a 200-mile economic and fishing zone gives an even greater sense of urgency to the question of an agreement on the delimitation of our marine boundaries, and in that regard the recent 1976 English-French award with respect to the English Channel had the effect of reinforcing Canada's legal position. The government of Newfoundland maintains that there cannot be negotiations with France before the question of federal-provincial jurisdiction has been dealt with. That is why we want the province to participate in the negotiation process and a firmer stand by the Federal Government should normally help reach that objective. The interim fishing agreement reached on December 30, 1976, will expire at the end of this month. On December 9 last, we agreed *ad referendum* to extend to 1978 all the 1977 arrangements, except for the

size of the quotas that were negotiated earlier in Ottawa.

Finally, I should like to point out that last week Canada denounced the 1933 France-Canada trade agreement effective March 15, 1978. We made that decision reluctantly and only after trying unsuccessfully for over a year to reach a compromise with France. That agreement no longer had its *raison d'être*. For example, the Canadian champagne industry was being penalized unfairly *vis-à-vis* foreign industries, and we were forced to take this step to protect that industry.

Attitude to South Africa

...I should like to touch on one or two other matters. One of them has to do with Canada's attitude towards South Africa. As the Prime Minister indicated in the House some two weeks ago, on December 5, Canada, along with a great many other countries, has been re-examining the attitude it ought to take beyond what has already been done by the world community in response to those actions that in recent times have been undertaken in South Africa to which we in Canada take the strongest possible objection, and with which we (and I am sure this extends well beyond the Government of Canada) are in major disagreement.

It is true, of course, that in other countries of the world there are clear violations of and disregard for human rights. There, too, Canada is expressing its concern....South Africa, however, stands alone. It is the only country that, as a basic part of its government structure (whether it is constitutional in the legal sense is beside the point) has a declared and unequivocal policy. It stands apart as a country that makes decisions affecting human beings on the basis of race and colour. Therefore, over time, it is not surprising that the attitude of the vast majority of the countries of the world has become harder, particularly during these past months when we have seen an increase in the amount of repression and rioting — and especially in the disturbances that followed the still-unexplained death of a respectable and respected black leader of South Africa, Steve Biko.

Along with others, Canada has been asking what further steps we ought to take in order to display and to demonstrate our disapproval of the present regime and our disapproval of *apartheid*. We strongly believe that what must come in South Africa is the destruction of that kind of system, the introduction of the principle of one man, one vote, and of the normal democratic process that all of us in this part of the world take for granted.

I am, therefore, announcing today that Canada is phasing-out all its Government-sponsored commercial-support activities in South Africa. For example, we shall as quickly as possible withdraw our commercial counsellors from Johannesburg and close the office of the consulate general in that city. We shall also withdraw our commercial officers from Cape Town. We shall, of course, maintain our offices in Pretoria for normal business, because we do not feel that the breaking-off of diplomatic relations at this time is advisable. We still wish to have an opportunity to do what we can in order to impress upon the Government of South Africa the necessity for change. We also want to have an opportunity to talk to respected leaders who are opposed to *apartheid* in South Africa.

In addition to this phasing-out of our commercial activities, we shall withdraw all Export Development Corporation government-account support from any transactions relating to South Africa. This involves, for example, export-credit insurance and loan insurance, as well as the foreign-investment type of insurance. This is a step that is not as complete as what may very well come in time. We are examining the implications and the possibilities for other such actions. After consultation with the Canadian companies concerned, we shall be publishing a code of conduct and ethics for Canadian companies operating in South Africa, designed to govern their employment and similar practices. This will be done as quickly as possible.

The fourth measure is related to South Africa's former membership in the Commonwealth, which we now propose to change. From a date to be announced, we shall require non-immigrant visas from all residents of South Africa coming to Canada. We have asked the appropriate officials to examine the impact and the capacity that is open to us to renounce the British preferential tariff. It is still in effect even though the Commonwealth membership of South Africa has long since ceased to exist.

Namibian problem

In addition to all of these measures, we are very much concerned about two other aspects of South Africa and South African operations — namely, the activities of Canadian companies in Namibia. Once again, we have asked the officials of the Department of Finance and others as quickly as possible to look into all the implications of possible tax concessions and the like that these companies may be obtaining and that are being provided by what is essentially an illegal regime in Namibia, by our standards and by our demonstrated conduct at the United Nations.

We are also establishing possible codes of conduct for further investment by Canadians in Namibia. It may be asked — I am sure it will be — why these measures are not introduced immediately. There are two reasons: first, we want to be very sure that we do not penalize Canadian companies that may have been active in that country for legitimate and perfectly acceptable purposes. Nevertheless, there is unquestionably an incongruity in a situation that permits any illegal regime, by world definition, to be participating with Canadian companies in the manner I have outlined.

There is a second reason why we are withholding, for the time being, any further action. We continue to hope that a means will be found of ensuring that there is a peaceful and satisfactory solution for Namibia, one that will bring about equality — one man, one vote. We hope this can be done through negotiations and the process in which Canada is participating, which relates to the five Western members of the Security Council talking with the Government of South Africa and the other parties concerned.

In the process of making this statement and expressing my hope for a peaceful outcome in Namibia, it is also Canada's hope and wish that the black leadership there, as elsewhere in South Africa, will show its own high level of responsibility. We hope it will do everything reasonable and possible to bring about transition by peaceful

means, rather than plunging another region on that tragic continent into the kind of bloodshed we have seen repeated over and over again in recent years.

There is one final point. We shall keep the whole South African situation under review. We are moving now to make sure that our own embargo against sales of arms to South Africa is on all fours with the recent declaration of the Security Council that placed an international embargo on arms shipments. This is the first time in the history of the United Nations that such an embargo has been imposed on a member state. I believe this is a step in the direction it is inevitable and appropriate for us to take. I re-emphasize that we shall keep the whole South African situation under review.

Question of Rhodesia

I could take time to discuss in considerable detail such questions as Rhodesia. I shall simply say, in the interest of saving time, that we are very closely in touch and in tune with the efforts now under way, particularly those of the Anglo-American initiative to once again bring about a peaceful transition in Zimbabwe, or Rhodesia, whichever you wish to call it. We are looking with great interest at the most recent steps taken by Prime Minister Ian Smith. We can only hope that he has made fully-legitimate commitments and that he is, indeed, prepared to take all the steps necessary to ensure a peaceful transition there. The situation is extremely complex. There are two major factors — Mr Nkomo's forces located outside of Rhodesia, and the issue as to how they are to be dealt with in any negotiation. That continues to be a serious issue.

So far as Canada is concerned, we have made no commitments as of this moment with regard to Canadian participation in any possible settlement arrangements for Rhodesia. We have said, provided the circumstances are right — and if, indeed, the provision of a peacekeeping force with a Canadian component in it would serve to bring about this peaceful transition — that we should then be prepared to look at it most sympathetically. Indeed, we should not be the party that would stand in the way of bringing about that resolution. So far no request has been made, no specific proposal has come forward. The same is true in the case of Namibia.

Human rights

There will be many other speakers who will touch on the subject of human rights....Those Members of Parliament who have been observers with the delegation feel a high level of satisfaction with the position Canada took at Belgrade. We have not been reticent in denouncing what we regard as basic and direct violations of human rights. We are hoping there will be a successful conclusion to that conference that will lead to other discussions and a general opening-up of the entire question of access.

There are four points I can state quickly. We feel very strongly, in the West, that citizens of a country, whether it be in Eastern Europe, Latin America or Africa, should have the right to speak out against their governments or their establishments without fear of reprisal. That is a very simple and straightforward principle, to which most parties subscribe. Also, there should be the maximum amount of movement of people — for example, for family reunification and family visits. There is no reason why this should not be permitted on a worldwide basis with a minimum of intervention by the state.

The same is true with respect to the exchange of printed information. We hope our stand, along with the stand of others, will bring about that kind of exchange.

In order to translate the policy declarations, there ought to be exchanges in the educational, scientific and cultural fields without any inhibition or restraint. I am sure many Members will speak out on human rights. Among them will be those who are concerned as I am about the fate of Anatoly Shcharansky. With regard to that particular case, we have indicated to the Soviet Union — as well as in relation to others who may be under some form of detention as a result of their attempts to monitor the carrying-out of the Helsinki Act — that we consider any action taken against these people at this time could pose a serious threat to a successful outcome at Belgrade. Also, it could threaten and undermine the whole thrust toward *détente*.

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Middle East

When I was in the Middle East approximately a month ago, it was clear that there was a significant change of attitude. It had not shaped up at that time. I questioned very much, even for a few days before the decision was made, that either of the leaders genuinely felt they would be meeting in person so quickly. Yet there is no question that the yearning for peace was evident. I do not think "yearning" is too strong a word. Many have asked what we in other countries can do or ought to do at the present time. I have only one piece of advice: we should do the minimum possible to impede the principals in their very strong commitment at the present time; we must give them all the encouragement we can.

Already the hope is realized that the courage of President Sadat will be met by the generosity of Mr Begin. This is starting to come together. No one should delude himself that there are not any significant, deep-seated, almost Biblically, historical animosities and tensions that must be cast aside. Never in our recent history have the signs and the portents been so great for peace.

This is why, among other things in relation to the United Nations, I have expressed criticism about what has been happening at the United Nations in these past weeks with regard to various resolutions that serve no useful purpose in terms of what is being done at the present time, but will have a detrimental effect by dragging into this very delicately-balanced situation extraneous issues and unnecessary complications....

I hope next year we shall be able to view with considerable satisfaction that, at long last, going back perhaps 2,000 years or more, we have seen one of the great historic events of our time occur in one of the troubled parts of the world.

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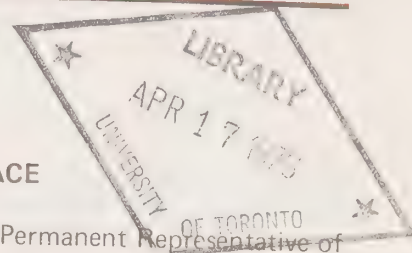
...At Beaumont Hamel, the great Newfoundland cemetery, it occurred to me a short time ago, despite everything that has occurred in the period since the Second World War, this is now the thirty-third Christmas we have managed to get by without having a major global conflict. We have had all manner of tragic bush wars, and some, like Vietnam and Korea, that were massively bigger. At least we have learnt enough to move tentatively along this course towards a more lasting and permanent peace. I suppose it can be said that we should be grateful for small blessings — namely, 33

years in which we have not been dumped into a nuclear holocaust. We can all hope that, in the thirty-fourth year and beyond, we shall be able to say the same thing against an even more permanent foundation of true peace in the world.



Statements and Speeches

No. 78/1



USE OF NUCLEAR-POWER SOURCES IN OUTER SPACE

A Statement by Mr. William H. Barton, Ambassador and Permanent Representative of Canada to the United Nations, to the Scientific and Technical Subcommittee of the United Nations Committee on the Peaceful Uses of Outer Space, February 13, 1978.

Normally our opening statement to a session of this subcommittee would be devoted to the full range of agenda items before us. This year, however, we wish to inform this subcommittee of a recent serious incident involving the re-entry and impact in Canada of a satellite with radioactive materials. We also wish to draw the attention of the subcommittee to some of the disturbing implications of this incident and to make some proposals for follow-on study and action. It is fortuitous that this session of the subcommittee follows closely the developments I now shall outline. In our view, the United Nations Committee on the Peaceful Uses of Outer Space, with its subcommittees, is the forum where this matter should most appropriately and logically be introduced and first considered.

On the morning of January 24, 1978, components of a space object containing a nuclear-power source fell on Canadian soil, fortunately in a largely-uninhabited part of the country. The debris that has since been located in Canada's Northwest Territories is believed to consist of component parts of the satellite launched by the Soviet Union on September 18, 1977, and known as *Cosmos 954*.

The technical facts of the situation are as follows. The space object in question entered the earth's atmosphere at 0653 Eastern Standard Time north of the Queen Charlotte Islands, on Canada's Pacific Coast. Subsequently, following approximately a three-minute burn period during re-entry, some pieces of the satellite impacted in the Northwest Territories and have been located between Great Slave Lake (62°N 114°W) and Baker Lake (64°N 96°W). The Canadian authorities had earlier learned of the possibility of uncontrolled re-entry of this satellite, which had shown signs of instability and decaying orbit in previous weeks. However, no accurate predictions were available to us as to the time and area of re-entry in the earth's atmosphere or the point of impact. Nor did we have any information as to the degree of disintegration of the object likely to occur on re-entry in the atmosphere.

We were informed by the Soviet Union after impact that the satellite contained a nuclear-power reactor fuelled by enriched uranium 235. A major search and recovery operation was mounted, led by the Canadian Armed Forces and the Atomic Energy Control Board of Canada, with assistance from other agencies. Valuable assistance was also rendered by technical experts and equipment provided by the U.S. Government. The search, which still continues, has located a number of satellite fragments, some by radiation-detection and some visually. A number of these fragments have been confirmed beyond doubt to be parts of the space vehicle. Up to the present, there have been no reports of injury to persons, but any assessments at this stage would be

clearly premature. Several pieces of debris were found to be radioactive, and one piece, in particular, contained a high level of radioactivity and required very special handling techniques. This piece registered 200 roentgens an hour on contact. This level of radiation would have significant somatic effects for any person closely exposed to it for one hour, or could become lethal if the exposure were prolonged over three hours. This piece has been removed in a specially-constructed lead container. Within a total current search area of 50,000 square kilometres, debris has so far been located along the projected orbit track of *Cosmos 954* over a distance of approximately 750 km. The search-and-recovery operations have been hampered by severe winter weather conditions. The search by air and on the ground will be continued through the coming weeks, and is expected to be extended after the spring thaw into the summer months.

It is not yet known whether any parts of the irradiated fuel core survived re-entry. Extensive environmental monitoring of flora and fauna may be necessary to ensure against exposure of inhabitants in the area and to determine the extent of the contamination of the environment. Even small particles of such fuel, containing fission products, could result in contamination with long-term effects, taking into account the fact that some of these fission products have half-lives of many thousands of years.

On the basis of the information available, and in accordance with Article V, Paragraph 1, of the 1968 Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space, Canada formally notified the Secretary-General of the United Nations and the Government of the Soviet Union on February 8, 1978, of the discovery on Canadian territory of component parts of the space object. The text of the notification has, at our request, been circulated to member states as Documents A/AC.105/214 and 214/Corr.1.

Against this background, the Canadian Government considers it essential that various disturbing implications of this incident be carefully considered in the Outer Space Committee and its subcommittees. The implications are of concern to all members of the international community. This committee and its subcommittees can make a significant contribution to our understanding of the complex issues raised by the use of nuclear-power sources in space and of the follow-on action that would be appropriate.

Canada initiated last week a preliminary round of consultations with 37 members of this subcommittee. These consultations, which are still under way, are necessarily of an informal and exploratory nature, but we have been encouraged by the positive response of other governments to date. There appears to be strong support for our proposal for early consideration of the wider implications of this incident for the international community, including the scientific and technical as well as the legal implications. We received a number of useful comments and suggestions as to how the matter could be pursued in the committee and its two subcommittees. Until we have had a further discussion of the issues here, it would be premature for my delegation to make any specific proposals for follow-on action. Needless to say, we have no wish

to anticipate decisions that will appropriately be taken at a later stage in the Legal Subcommittee and in our parent committee. Permit me, however, to express some preliminary thoughts, as a possible basis for discussion, on the direction and focus of our efforts in this regard.

Let me say, first of all, that we have no wish to comment further in this subcommittee on the particular circumstances of the landing of the *Cosmos 954* satellite in Canada. We have from an early stage been in close touch with the Soviet authorities, who have provided information on the technical characteristics of the satellite that could assist us in the ongoing search for radioactive debris. We have requested further information. We intend to continue to discuss these and other aspects of the incident, including liability and compensation aspects, through bilateral channels. Our concern here is with the general questions posed by the use of nuclear-power sources in outer space.

Satellites carrying nuclear-power sources have on previous occasions been launched by the Soviet Union and by the United States. We understand that, in all, approximately 40 satellites of this kind have been placed in earth orbit or used for lunar or distant interplanetary exploration. This is a small percentage of the total number of satellites placed in outer space. However, because of the potential hazards to mankind and its environment, these satellites pose a number of special questions that should be addressed by the UN and by this subcommittee. The *Cosmos 954* satellite is not the first satellite carrying radioactive materials that has malfunctioned and unexpectedly returned to earth. With any increase in the size and number of nuclear-powered spacecraft in future, the risks would increase. Clearly, the utilization of this technology in outer space calls for special precautions and a special regime of international co-operation designed to ensure the safety and integrity of the human environment.

What is required, in our view, is a measured, realistic and constructive response to the issues raised by this incident. The use of nuclear power in space is a highly-sophisticated and evolving area of space technology. It holds out the promise of important benefits to mankind, as well as posing certain grave hazards. Any consideration of the problem must take into account both the benefits and the hazards, with a full knowledge of the technical background. We must approach the question of the use of nuclear-power sources in outer space in the same spirit in which we approach the question of international co-operation on nuclear-power sources on the ground. There are no easy answers and we are not proposing any hasty action.

The overall objective of our efforts should be to develop a regime for the use of nuclear-power sources in outer space that would ensure the highest standards of safety for mankind and protection for the environment. The obligation to avoid damage or harmful contamination to outer space and the environment of the earth is already enshrined in several provisions in treaties negotiated in the Committee on the Peaceful Uses of Outer Space and other international instruments and principles of customary international law.

In order to carry out the detailed review and technical studies required, we shall be

proposing the establishment of a working group of technical and scientific experts. Such a working group could be constituted along lines similar to earlier working groups established under the auspices of this subcommittee and its parent body, such as the Working Group on Remote-Sensing and Working Group on Direct Broadcasting by Satellites. It would be charged with a careful study of relevant aspects of the use of nuclear-power sources in outer space, with a view to making recommendations for action by member states. This working group would, of course, depend on the full support and active participation of all members concerned with this technology. It could make a major contribution to the clarification of the issues, as did its predecessors in other areas of study, thus preparing the ground for constructive action in the Legal Subcommittee, the parent committee and the General Assembly. At the same time as the working group is broadening our base of scientific and technical information, discussion of legal and other aspects could proceed in tandem.

The following are some of the questions and issues to which the proposed working group should address itself. What alternatives are available as power sources for satellites and what are their relative advantages and disadvantages, including safety considerations? As amongst various nuclear-power sources, such as reactors using uranium 235 and radioisotope generators using plutonium 238, what are the relative advantages and disadvantages, including safety considerations? Should certain standards of radiation levels be established for space objects returning to earth? As a related question, should restrictions be placed on use of nuclear-power sources in relation to altitude and lifetime of orbit and decay-time (half-life) of radioactive material? What special precautions should be taken so as to rule out any possibility of uncontrolled fission reaction or explosion on aborted launch or after re-entry? What special safeguards or design standards should be developed regarding dispersal of radioactive material on re-entry or, alternatively, regarding intact re-entry and recovery? What measures are appropriate and feasible so as to provide notification of: (a) intention to launch spacecraft with a nuclear-energy source on board; (b) risk due to re-entry; (c) probable time and place of impact; and, (d) actual impact? What role could be played by other UN organizations, such as IAEA and UNDRO, so as to enhance the level of safety of operations of such satellites and adequate international emergency-response operations, if needed, for search, recovery and clean-up?

Other delegations may well have other questions to put to the working group, and we offer these questions only as a preliminary indication of areas where we believe that technical studies should be pursued.

I do not wish to raise here legal matters that should appropriately be dealt with in the Legal Subcommittee meeting in Geneva next month. However, I should make clear our intention to call for parallel studies of legal implications of this matter, as part of a phased and comprehensive response. We have in mind proposing, in particular, a review of the existing international instruments adopted by the Outer Space Committee in earlier years to determine whether there is a need for elaboration of an additional instrument governing the use of nuclear-power sources in outer space, either in the form of guiding principles for adoption by the General Assembly or of a convention containing binding legal obligations. Taking into account all technical and

other factors, there may be a need, for example, to establish the equivalent of a nuclear-free zone in near-earth orbit. The proposed working group on scientific and technical aspects of this matter would help lay the foundation for constructive and realistic discussion in the Legal Subcommittee and in the General Assembly.

We look to other members of this subcommittee to join with us in an effective response to the issues raised, along the lines I have described. We welcome the views of others and we are flexible on specific proposals, while strongly committed, with other nations, to the need for a regime governing the use of nuclear-power sources in outer space that will rule out the risk of any incident that could have tragic and far-reaching consequences.

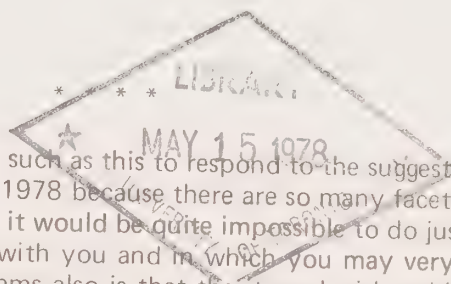


Statements and Speeches

No. 78/2

CANADIAN FOREIGN POLICY: A 1978 PERSPECTIVE

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Empire Club, Toronto, March 2, 1978.



It is very difficult on an occasion such as this to respond to the suggestion that I talk about Canadian foreign policy in 1978 because there are so many facets to the topic. In the time that is allotted to me it would be quite impossible to do justice to all the matters I should wish to discuss with you and in which you may very well have an interest. Indeed, one of the problems also is that the items I wish to highlight in this overview may not necessarily be those with which you have the greatest concern or the greatest interest. But, if that should turn out to be the case, I would ask your forgiveness. Incidentally, if at any time there are matters relating to foreign policy about which members of the audience would wish to obtain additional information, I should be more than happy to provide it.

What I should like to do today is to give you some impressions, drawn from my own experience in public life, and more particularly as Secretary of State, on the condition of the world today, and also on those things I feel Canada can do something about.

I suppose no audience is more aware than this one that, from the immediate post-Second World War period up until fairly recent times, the preoccupation of almost anyone who was interested in international affairs was the so-called East-West confrontation or the relationship between the Soviet Union and its client states, as they may be called, and the United States and its Western allies on the other side. For a very long time, certainly throughout the Fifties and well into the Sixties, this was the principal concern of most people who had more than passing interest in international affairs. Of course, it remains in many cases a source of concern today.

However, in the last part of the Sixties and throughout the Seventies, we have seen a new and complex dimension added to the world situation. This is described as the "North-South dialogue" — the relation between the developed countries from principally the northern part of the globe and the developing, or poorer, countries, located by in large in the southern part of the globe. I hope to be able to have time to touch on that in more detail in a few moments, but let me simply say here that, as a result of this new dimension, we could very well be said to have "boxed the compass", if I can use a "down-East" expression. We now have a situation in which, in addition to being concerned about those tensions and the efforts to relieve those tensions that exist between East and West, we have a new set of tensions — and they pose a new kind of challenge, particularly to the developed world, through the North-South dialogue.

In each one of the quadrants of that circle there are innumerable major and minor

problems that preoccupy someone who has responsibility in the foreign affairs field. Just to mention a few, there is, of course, the Middle East and its enormous potential for world peace and security, not only in the political sense but also, as we have learnt since the oil embargo, in the economic sense. Then there is southern Africa, with the issues of *apartheid* within South Africa itself, and the future of Rhodesia and Namibia. There is the Horn of Africa, which is causing very great concern to a great many knowledgeable people these days. (One could almost say that within all of the countries of Africa there is still a certain lack of stability, which is creating minor and major tensions.)

The United Nations embraces the whole of that circle and is coming under increasing challenge today both from its enemies and, since I have been one of its critics on occasion, from its friends. Let me emphasize that Canada continues to regard the United Nations as an essential instrument that must be retained as an effective means for the resolution of any number of international problems. But there is concern that the United Nations — and particularly certain elements of it — may be losing their efficacy. Canada is committed, and certainly I have undertaken it as a personal commitment, to seek to revitalize some of those elements in the United Nations that ought to be employed more effectively. Regrettably, some UN activities (and I'm thinking of the General Assembly) have deteriorated in recent years into what is often a debating society, which does not, in fact, produce very much by way of really significant results.

But the United Nations remains important to Canada because we believe it is the focal point for two debates that are either going on at the present time or about to begin in the near future. One is disarmament, on which there will be a special session of the United Nations beginning in May of this year. We are seeking to determine what is the most effective and progressive role that Canada can play to bring the world to a realization that the current arms race, not only in nuclear weapons but in defensive armaments as well, is not only something that has an enormous destabilizing effect but also tends to cause us to distort our priorities. Consider the expenditures we are making necessarily now on armaments, when, in fact, we ought to be spending a great deal more in terms of our developmental assistance and other forms of positive contributions to the developing world and to the search for greater peace and stability in the universe. In our own country, for example — just to show you the extent to which there is this distortion —, even though it is generally conceded that we ought to be perhaps spending more than at present on defence, the fact is that our expenditures within Canada, a relatively modest-sized country, on defence are four to five times what they are on foreign aid and related commitments. This gives you some idea of what it is like when you extend those figures out to embrace the world community. If we could reach the point where we could get a reasonable and assured level of disarmament, what we would be able to do with our own domestic economy and the economies of the developing world staggers the imagination. This is an effort we in Canada ought to continue and ought to accelerate.

The other side of the disarmament question involves nuclear technology. The months and the years immediately ahead are going to be of the utmost importance in terms of whether we can or cannot, to fall back on a stock expression, "put the genie back in

the bottle". Whether we can achieve some rational way in which the potential -- the peaceful potential -- of nuclear energy can be employed while, at the same time, equally strong potential for destruction can be minimized. I merely mention this briefly to illustrate the diversity and the complexity of the issues with which we have to cope in trying to determine what Canadian foreign policy ought to be.

So let me, then, asking that question rhetorically, proceed to try to give you some ideas as to what I think it ought to be. Basically, I regard Canada's foreign policy as having its roots in advancing and improving our own national interests. I don't make any apologies for that particular approach, because it seems to me that one can, against that kind of yardstick, assess almost any course of action you would wish to take. I don't use the word "national interest" in any narrow or selfish or even wholly economic sense. What I think it is important for me to say is that Canada's national interest is going to be advanced much better, much more rapidly, much more securely, if there is peace and stability in the world. Almost any initiative that we would wish to undertake as Canadians, as the Canadian Government, as the Canadian people, in the international sphere can, in fact, be defended against that yardstick.

But, looking at it in a more narrow sense, we should have a foreign policy that is designed to help us achieve the level of economic stability and security that is essential for our further progress. One has to look at some rather dramatic figures that aren't stated often enough perhaps but, I think, signal clearly where a good deal of the emphasis must go in terms of our activities and in terms of how we assign our resources. If one takes the United States, the European Economic Community and Japan (two countries and a grouping of countries), those three together account for over 85 per cent of all of Canada's external trade. So, of the 140-odd countries in the United Nations, if one is looking at it strictly from the perspective of advancing the Canadian national interest, it becomes perfectly obvious that the essential element must be the closest-possible links and co-operation with Japan, with the United States and with the European Economic Community.

If one takes that three-way grouping and separates it still further, the fact is that better than 60 per cent is with the United States. You have a situation where not only is the United States our neighbour in the geographic sense -- it is also the major customer for our products and (I don't think there is any question about this) the most important country in terms of whether our economy will move forward or not. I believe (and, indeed, the Government believes) that the maintenance and the enhancement of our relations with the United States must take a primary priority. It is, therefore, the centrepiece, as it were, of our foreign policy.

Now that does not mean that we are going to come closer to the United States -- or that, indeed, we are going to be engulfed by them or that we are going to seek to have some kind of "continentalism" in North America. Because the European Community is also tremendously important, not only in economic terms but also in terms of the general political posture that we wish to take -- an outward-looking posture in the world. That is why we have developed the "Third Option". I do not wish to become academic or to go to any great lengths as to what the components of the Third Option actually are, but I think it is evident that we have had a considerable degree of

success in terms of the political relations that we have been able to establish with the European Economic Community. Indeed, Mr Roy Jenkins, the current President of the Community, is going to be visiting Canada next week and I shall be having discussions with him, as will the Prime Minister. We have invited the Premier of Ontario and other political leaders across the country at the provincial level to sit and talk with him as well, because we place a great deal of importance, and I do personally, upon the continuation and expansion and strengthening of our links with the Community. I think that is only fair, too, to add that it is too early yet to determine whether or not some of the goals of the Third Option, as reflected in the "contractual link" with Europe, are going to be successful. Almost simultaneously with the development of the contractual link came the oil crisis and everything that flowed from that dramatic event. The economies of Europe at the moment, or the countries making up the Community, are enormously vulnerable, as we have seen as recently as this morning in the news. Therefore this is not the time when it is likely that we can substantially increase our exports or our levels of trade with the Community.

However, that does not mean that we need to be equally retarded in our approach to the Community on the political level. In the last few months, I have had the satisfaction, for example, of being able to negotiate with the European Community a nuclear-safeguards arrangement that permitted the resumption of our [supply of] Canadian uranium to Europe under what is the tightest safeguards regime in the world. I have also been able to co-operate with France, Britain, and along with Germany, in efforts related to the whole Southern Africa situation. We have what I might describe, in the quite appropriate sense of the phrase, as a foot in both camps, and I believe this is appropriate for Canada and I believe it is what Canadians want.

So far as Japan is concerned, I can say almost the same thing about our prospects for enhancing our relations with Japan in the economic sphere. That country, as I think many of you will know, is, of course, also going through some very difficult economic times and its productivity is slack. Industrial capacity is not being fully employed and it is highly unlikely that we are going to see any dramatic or immediate upsurge in the level of our trade with Japan. But, nevertheless, during my recent visit to Japan I think we achieved a good deal more, not only in our discussions with the Japanese but also in our discussions among ourselves, with businessmen like Mr Gardner (whom I see here today), one of which occurred as recently as last night as to what approach we ought to take to enhance our economic relations — not only with Japan, by the way, but with China and the whole of Southeast Asia....

In the political sphere, I believe we can call upon support from Japan when there are issues in the international field about which we feel strongly or where we wish to make an impact or to make our views known. For example, when the Soviet satellite crashed over Northern Canada, Japan was one of the first countries to come out in support of the Canadian position and I had a call from the Japanese Ambassador in Ottawa just the day before yesterday indicating that the Diet in Tokyo had passed a resolution that was fully consistent with the position Canada has taken with regard to objects in outer space. These kinds of contact may not always produce visible and evident results immediately or after a visit takes place, but I am satisfied that in those two areas — the Community and Japan — and in the United States our relations are

now on an extremely good footing.

I should like to say another word if I may about the United States because of the importance I believe all of us in Canada must attach to it. In the House of Commons recently, I made the statement, which was not challenged by anyone, that Canada U.S. relations today are in the best state that I have observed them for many, many years. The relations are extremely close and cordial. Your President made reference to my comment about being able to phone the Secretary of State, and that is precisely the situation. There is a good, easy working relation, as there is between the Prime Minister and the President, and has been throughout the whole of the U.S. Administration. I think that has been translated into quite a few worthwhile achievements in the last year or so. Whatever various people may feel about the wisdom or otherwise of the pipeline in terms of Canadian benefit and the like (and that is still to be argued), I, as you know, am very strongly in favour of it and believe it is very much in our interests. But whatever those discussions may be, the fact is that this tremendously intricate and enormous project, the largest single project of its kind, I think, in the history of the world, was achieved over a quite remarkably short period of time and with very little by way of friction between ourselves and the United States. Similarly, this audience would have an interest in the St Lawrence Seaway. The negotiations with regard to the escalation of tolls on an orderly and reasonable basis were brought about without our having to take the formal step of abrogating the treaty and starting a whole process of either judicial, semi-judicial or quasi-judicial negotiations. Also, in terms of the law of the sea and the 200-mile limit, we have been able to work it out and are moving now towards a more permanent arrangement. Of course, there is also constant contact between us on various economic matters.

With those three targets in terms of objectives for Canada — the strengthening and the maintenance of good relations —, I think I can report to you with a good deal of conviction that, from a national-interest point of view, good relations, I believe, are “in place”.

But Canada can't live in a world in which all of our time and all of our preoccupation is with just a handful of countries, as important as they may be to us. There is another side to the Canadian character that I have detected, particularly since I have been in this position. Canada and Canadians want to see a kind of moral foundation for our foreign policy. And I think there are times when they want to see the Secretary of State for External Affairs declare himself, and declare the country, on certain international issues, not because there is anything in it for Canada (indeed, there may be no guarantee that there won't be negative results for Canada), but because they believe strongly in those particular views and they want it said. They get a sense of satisfaction when something is said. They are unhappy when Canada does not, again to use the vernacular, stand up to be counted on particular issues. We have a good opportunity — probably one that is out of proportion to our size in population terms in the world community — to influence various groupings of countries around the globe who can play a significant and decisive role in enhancing and improving, for example, such things as human rights and a whole range of other, what I describe for want of a better word as, moral issues.

Canada has this unique position because we are members of the Commonwealth — and I, by the way, regard Commonwealth membership today much more positively than I did two years ago. I must confess that I was beginning to think that — let us say five or six years ago — the Commonwealth had passed its prime, lost its effectiveness and its usefulness. But I believe now that the Commonwealth in its new and altered form is an extremely useful forum that provides us with opportunities that would not exist otherwise for dialogue, for discussion between heads of government, between foreign ministers, and to encourage a consensus of views on certain matters. Our membership in the Commonwealth, a leadership role (if I may be so bold as to say so) both because of age in terms of membership and also because of our experience, has been of tremendous value. Similarly, our unique position as a bilingual country gives us a quite special role *vis-à-vis* the *francophone* countries of the world, and particularly those in the developing world. As a result, we have a particular capacity in that huge continent, Africa. Our status with the Commonwealth and with *francophone* countries gives us the opportunity to speak to both of those large constituencies, to work with them and also to call upon them for support on occasion, when there are issues on which we have a common feeling and which we wish to advance either at the United Nations or in some other international forum. Through our diplomats and through our professionals in the Department, we have to be very skilful in working through these kinds of organization and developing the kinds of consensus we have seen prove effective — for example, at the heads-of-government meeting of the Commonwealth held in connection with Her Majesty's anniversary last year in London and in a number of other places as well. I wish I could be more specific and take the time to give you definite illustrations.

There are other areas where it is very difficult to know what kind of role Canada ought to play. I am thinking, for instance, of such major trouble-spots as the Middle East. Obviously, if one is practical about it, one has to recognize that Canada is not a major player. Nor is it likely to exert the decisive influence in terms of how the conflict itself is going to be resolved in the Middle East. Obviously, as I have said on a number of occasions, the last few months have produced a situation in which nothing has changed and yet everything has changed. The whole atmosphere in which the 30-year-old discussion is taking place has changed markedly as a result of President Sadat's initiative and the events that flowed from that. But there are times when it is wiser for a country such as Canada to refrain from either commenting [on] or intervening in those kinds of situation. This is one of them, where I feel that we should allow the countries concerned to work as closely as possible together to achieve a solution and not do those things that may have a transitory applause result in terms of action but don't really contribute and may, in fact, retard the process.

I use that illustration to make another point about Canadian foreign policy. We must, as a country of our size, determine where we can be effective. We must determine a rather selective list of foreign-policy goals and objectives. In that spectrum I outlined in the beginning, it would be quite unreasonable for us, as what has been called a middle power (and I'm not quite sure what that word means), to be involved in all issues, to seek to do something in all of them, and in a real sense spread ourselves so thin that we would not be effective anywhere.

We must select those areas where first of all it is important to us that we make our presence known and express our views, but also in those places where we have some (a phrase used in the language of diplomacy) leverage. In the case of the Middle East, that leverage comes from two sources; actually, in the last analysis, they reduce themselves to one. We are generally accepted as being balanced observers. We have not committed ourselves so strongly to one side or the other as to have lost our effectiveness in terms of talking to them as friends. That stems from the fact that we have, of course, been the Number One peacekeeping country in the world. I make reference to that because it is again a rather central point of Canada's foreign policy. On many occasions over the years the question has been asked: Is this an appropriate role for Canada? It has been re-examined on a number of occasions, and each time the conclusion has been that it is something that not only fits our capabilities as Canadians but it is something that also fits our character as Canadians. I think it is the sort of thing that gives satisfaction to the people of this country to know that we can reinforce our commitments to peace and security in the world by making our troops, our servicemen, available — not for aggressive purposes but to preserve stability in troubled regions. The "comeback" has been that we are highly respected — in the Middle East for example and in other areas where our reputation as peacekeepers is very well known. It is my view that we should continue with this emphasis.

Many have asked me in recent weeks what we would do in peacekeeping terms in Rhodesia or some of the other Southern Africa situations. My response to them would be that, as a general principle, Canada should be prepared to participate in any peacekeeping activity that may be called for. What we must also discern before committing ourselves to that kind of activity is whether it is going to be effective, so that we won't find ourselves in Rhodesia, for example, in a situation where we should be the buffer between whites and blacks. That is not a situation that I contemplate with any enthusiasm and I have made that view known to the Secretary-General of the United Nations — also to the Foreign Minister of Britain, Mr Owen, and to others who have asked me about Canada's intentions. But, if the structure of a peacekeeping organization either for Rhodesia or for Namibia is one that we believe that Canada can participate in effectively, I am prepared to say that we should certainly look at it in a reasonable light.

Having said that, I believe it is also important, harking back to my earlier comments about the UN, to have a clearer and more precise mandate for peacekeeping from the organization as a whole. As things stand at the moment, it is always difficult, and one could even say "messy", when one looks at history, to get a commitment for a force to go into a particular area, or even to get a commitment that something should be done in a particular area. We have been urging for some time not only that the United Nations look at certain ground-rules that would govern the provision of peacekeeping forces but also that we have a formula that would permit the proper assessment of all the members of the United Nations to finance peacekeeping. The fact is that we have been in Cyprus for a great many years now. The problem is that there are still countries in the United Nations — and not merely underdeveloped countries — with a very real interest in keeping peace in Cyprus that have not, in fact, contributed to the financing for support of those forces. I must, in the presentation of our attitude on peacekeeping, ensure that, to put it crudely, we don't wind up being the "patsy" in

terms of all of these countries saying: "Góod old Canada — they'll take it on and we won't even have to pay our portion of the bill".

Let me just touch on one or two other matters very, very briefly, in terms of China, from which I have just returned. A most remarkable country, one I doubt very much anyone who has not been there can comprehend. Certainly I didn't have the foggiest notion; I could not possibly have "conceptualized" the country without seeing even the small portion of it that I did. But having done that and having had discussions with the leadership in China, I believe it is going to be important over the next weeks and months for us to formulate a precise policy as to how we are going to deal with this country, with its enormous resources and its population that is fast approaching one billion people. We cannot help but recognize that it is going to be as time goes by, I suspect, a most potent player on the world scene. I should again like to spend a lot of time telling you about it but I want simply to let you know that Canada is conscious of the need for a strong approach, a well-thought-out, well-developed approach, so far as Canada-China relations are concerned.

The same is true of Southeast Asia. The ASEAN countries are just now emerging as a growing economic force in the world, with a population almost two-thirds that of the European Community. This is another area where we must look at what kind of influence Canada can have.

Finally, let me just add a word on the nuclear issue. Some of you may have perhaps been following it over these last two years — specifically, whether or not Canada would resume shipments of uranium to its traditional customers. One thing became very clear (and I think one can make this observation of almost all aspects of Canadian foreign policy) — we cannot go it alone. There are very few things we can do ourselves, whether it be sanctions against South Africa or the halting of the export of uranium. Unless there is united international action, the only result will be one of frustration for us because we shall not achieve our goals and there will be losses for us on the economic side as well. In terms of most of the issues of which I have spoken, the most important thing is that Canada act as a member of the international community or some strong element within the international community — such as NATO, such as the "economic summit" group, of which we are a member, such as the OECD. If we do not do that, then it is very likely that our efforts, as well-meaning as they may be, will not really succeed. They did succeed in the nuclear case because those elements were present plus the ingredient I mentioned a few moments ago — leverage. Here is a prime instance where Canada is a major party in terms of nuclear development and all the related subjects. We are one of the two or three main suppliers of uranium in the world, at least at the present time. Therefore we have in that area the capabilities and the power, if I may use that word, to bring about a more desirable situation. That is one that we have pushed to the limit. I think you know that we have "in place" now a regime of safeguards that is the most stringent of any country in the world. When all is said and done, I suppose there is nothing in our foreign policy that is more important than this issue. If we can as a country combine our leverage with our moral convictions against the shocking dangers of nuclear proliferation, it may very well be that, even when measured against such things as our performance in foreign aid, our co-operation with other countries and the whole range of

activities in which we are engaged, our major role will have been our ability to move the world back from that shocking nuclear abyss. Well, I wish, I repeat, that there were time but I fear I have taken altogether too much already. I should like to have gone into many of these matters. I hope that I have given you some "overview", at least, of the kinds of thing in which we are engaged....

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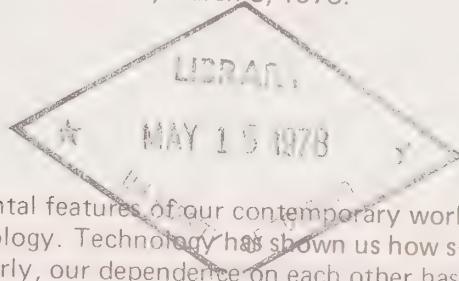


Statements and Speeches

No. 78/3

CANADA STRENGTHENS ITS TIES WITH THE EUROPEAN COMMUNITY

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, at the Opening of the Second Meeting of the Canada/European Community Joint Co-operation Committee, Ottawa, March 8, 1978.



Mr President,

Two of the fundamental features of our contemporary world are interdependence and the impact of technology. Technology has shown us how small and how fragile is this planet of ours. Similarly, our dependence on each other has been dramatically demonstrated on numerous occasions. The security and the prosperity of nations are intricately interwoven. Major economic shocks in one part of the world have impact upon all of us. To manage the problems and challenges of interdependence and advance our mutual interests and well being, international co-operative endeavours are essential. Because of the place of the Community and Canada among the industrially-advanced of the world (we are the second and sixth economic entities in the world with respect to gross production), we share an overriding interest in the health of the global economy. It is thus essential that our efforts in the leading economic councils of the world reinforce the greater prosperity of the international community and point the way towards solutions to the economic problems to which none of us are immune. To do less would be to risk the well-being of us all, given the present difficult world economic climate.

But our multilateral efforts should not obscure the importance and opportunities that our efforts in bilateral co-operation promise. We are here today to continue these efforts and to give them further impetus.

Economics alone does not explain the strong desire of Canadians to retain and strengthen our ties with your Community. The depth and range of our historic bonds are well known. This sense of shared experience and spirit gives rise to a special feeling of affinity between Canada and the Community. As bystanders, we have watched attentively the construction of Europe. From its simple beginnings in the form of commercial arrangements among a few, it has evolved into the "Community of Nine", with its own institutions, its common policies and its prospects of both further enlargement and greater unity.

This special sense of affinity and our mutual desire that our relations should take account of the evolution of the Community and the shared challenges of the 1970s led logically, I suggest, to the undertakings we entered into in July 1976 to deepen and diversify our economic relations, undertakings that were reaffirmed at the first session of this committee in December 1976.

Today, for the first time, we are trying to draw up the official balance-sheet for the

results obtained since then, and to decide in which direction to orient our efforts for the coming year. Sixteen months ago, at the time of the first meeting of our committee, your predecessor and I sketched out the path along which we should pursue our quest for new types of co-operation at different levels, in areas that were largely unexplored. It is only at the cost of sustained effort that we shall be able to profit from the magnificent opportunities provided by such a vast field.

Our first balance-sheet is modest but positive. Nevertheless, much as I did just over a year ago, I want to stress that at this stage, whether auditing the past or planning the future, we must focus our efforts on the most realistic areas where we can, in conjunction with the business community, pinpoint and then exploit new elements of co-operation. We must share knowledge about policies, development strategies, research programs, etc., so that we create a more conducive climate for entrepreneurs. Joint ventures, licensing arrangements, tripartite co-operation, shared research and co-ordinated marketing — these are the tangible and dynamic areas where we can promote initiatives by the private sector. Our contribution must be as catalysts in the creation of a climate propitious to successful and imaginative undertakings in such areas.

In this realm, the major development in 1977 from the Canadian point of view was the series of visits of our businessmen to the Community's headquarters in Brussels. In March, members of the Minister of Industry, Trade and Commerce's Advisory Board met with you and your colleagues to explore how the Canadian private sector could best co-operate with its Community counterpart; and one outcome was a second, rather different, mission to Brussels, in November, headed by my colleague the Minister of Industry, Trade and Commerce, involving 150 Canadians from across the country representing a wide range of economic sectors. These and other visits during the year have provided us with many practical recommendations, on which we shall draw in future.

Less visible, but in rapid succession, new forms of co-operation have been explored in fields as diverse as non-ferrous metals, aerospace, forest products, nuclear equipment, construction and information equipment. But there is sometimes confusion about what industrial co-operation means. With industry (and, on your side, with member states, and, on ours, with provincial governments), we have jointly begun to examine the nature of industrial organization in promising areas of interest to both of us. In so doing, we are not substituting for conventional promotional efforts or assistance already provided by governments within the Community and in Canada. Instead, we seek to identify specialized forms of co-operation of a longer-term character, such as joint ventures and the like, in which government involvement can play a stimulative role, bringing together marketing, engineering and design skills from both sides with a view to innovation in products and services, even on a world scale. This mating of interests and capabilities within the private sector and the co-ordination of government activity within and between our administrations should have a growing "multiplier effect".

In the year ahead, I hope that progress will be possible on our recent proposal to you

for possible co-operation in the minerals and metals area. The proposal prejudices nothing but portends much. It assumes that we can reconcile Canada's interest in the upgrading of its raw-material exports and the Community's concern for secure and economical supplies of the materials it imports, in a more complex kind of co-operation I have felt would eventually be possible. In 1978, too, we should agree upon some facility to assist business people in the Community and in Canada to overcome specific impediments encountered in doing business in the others' territory. Our recent proposal to this end was one direct outcome of the visits of Canadian businessmen to Brussels last year, and we hope you will respond favourably to it. We need to define clearly the environment for business. The businessman must clearly perceive his prospects; he will not waste his effort if his case is hopeless.

Finally, in 1978 we expect to complete a trade-flow study that we hope will contribute to a greater awareness of the existing state and prospects for the development of our bilateral trade relations. We should also continue to promote exchanges in areas of special priority — for example, on science and technology, as you have lately proposed.

These are some of the specific priorities to which I believe we must address ourselves in 1978.

To return to the broader scene to which I referred earlier, we are pleased that recently we were able to conclude a nuclear-safeguards agreement with the Community that takes into account your very real interests, while at the same time conforming with our keenly-felt commitment to non-proliferation. Our participation in the international nuclear-fuel-cycle evaluation program should lead us towards generally-acceptable guarantees that greater dependence on nuclear energy generated by more advanced processes will not lead to greater insecurity brought on by nuclear proliferation.

There is not time to review in detail some of the largest international economic issues, such as the "North-South dialogue" and the multilateral trade negotiations, that we face. But we do ask that you look positively at the kind of outcome Canada must have from the MTN in the form of access to your markets and others if there is to be a mutual balance of advantage. Also, it seems essential to me that we, as major traders, should promote together our interest in preserving the integrity of the present world-trading system. This means ensuring that the trade rules are set fairly, that there is respect for both the rights and obligations of GATT members, and that these shall not be overridden solely because of currently-existing difficulties.

We share common interests, both past, present and future. Together we can provide a dynamic model of co-operation to the international community. Our efforts — and especially those of the private sector — are crucial to the success of our joint endeavours. It is a task that must be pursued diligently. In adopting the report before this committee today, I therefore wish to urge that we intensify our co-operative efforts, both in our own interests and those of the international community at large....

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Statements and Speeches

No. 78/4

WHAT DID THE BELGRADE MEETING ACHIEVE?

The Closing Canadian Statement, by the Honourable Norman Cafik, Minister of State for Multiculturalism and Special Representative of the Secretary of State for External Affairs, to the Meeting of the Conference on Security and Co-operation in Europe in Belgrade, March 9, 1978.

When our meeting began its work here last October, our agenda contained two main items, which were logically linked to each other. The first was to hold a careful and objective review of the current state of implementation of the Final Act. The second was to consider new proposals, designed not to rewrite the Final Act but to deepen our collective commitment to its purposes and to improve the quality of our performance. We successfully pursued the first objective by holding a wide-ranging, frank and honest review of implementation. Even if a real dialogue was never achieved between us, the course of our deliberations showed clearly how much still remained to be done. It is all the more unfortunate that we seemingly failed to realize the negative impact resulting from the shortcomings of incomplete implementation and the effect such gaps may have on future expectations and achievement. This is evident from the minimal document with which we conclude our meeting. It is a source of disappointment to my Government that this document does not reflect the vital substantive concerns of participating states, in that we could not agree to express the need for more positive and constructive efforts so as to make the Final Act a more vital and dynamic part of the relationships between us.

It is regrettable that we could not even agree on a factual account for the public record. Public opinion in our countries has a right to expect some commonly agreed assessment of how the Final Act has been implemented and how we propose to meet the commitments we have made in the period that lies ahead. Unfortunately, it will not get this. Instead, the meeting has produced only a document reflecting lowest common denominators. We should have hoped that the two and a half years during which we have worked together to give substance to the provisions of the Final Act would have taken us beyond that. As it is, each of us will have to provide his own explanation of what took place here, with results that will undoubtedly vary with the particular perspective in which we each see the outcome of the Belgrade meeting.

Canada has never had illusions about the obstacles that lie in the way of full implementation of the Final Act. Our review confirmed only too clearly that after only two and a half years we are indeed a long way from improving security and promoting co-operation in Europe within the full measure of our capacities. But we also discovered that there is a deep-seated concern on the part of all participating states to seek progress on those parts of the Final Act of special interest to them. Our concern for positive achievement has certainly not diminished since Helsinki and, judging by the number of proposals tabled, this increased concern is shared by many, undoubtedly because expectations have been raised by the Final Act. This represents a positive

potential that must not fail to find expression in Madrid, lest the expectations that have been raised be shattered.

It is evident from our statements over the past months what improvements in implementation Canada hoped to see emerge from Belgrade. There is the vital matter of improving security. In an effort to build on the experience we had gained in the past two and a half years, we tried with others to develop and refine the confidence-building measures relating particularly to military manoeuvres and movements. Our aim in this area was greater openness regarding military matters. In our view, this would contribute to increasing confidence as well as to reducing the risks of misunderstanding, if not of miscalculation. Our efforts, while commanding broad support, did not gain the consensus required.

The importance of halting the arms race and establishing more stable relations, particularly in Europe, where major military potentials are concentrated, was addressed by the Conference, as was the need for progress on arms-limitation and disarmament measures in the international organs that are mandated to negotiate these matters. Canada continues to believe that every opportunity must be seized, including those provided in the military provisions of the Final Act, to decelerate the arms race as an essential approach towards the building of greater confidence.

We also had a useful discussion about the many opportunities for greater co-operation in the economic and related areas that the Final Act has opened up. It was our hope that, as a result, agreement could be reached on a certain number of proposals that, by reflecting our common willingness to remove some of the obstacles that continue to impede co-operation, would have enhanced those opportunities. Here, as in other domains covered by the Final Act, it is Canada's objective to reduce impediments to open access to relevant information and to facilitate contacts between those in our countries who alone are in a position to translate the commitments of governments into more effective and more pervasive linkages. We had also hoped that, as we discussed these matters, we could look beyond the particular language of our mandate at the economic problems and responsibilities we share as part of the industrial community within the larger world system. We regard this as a direction in which our relations must evolve if the assumptions that lie at the basis of the Final Act are to have real substance.

From the beginning Canada has placed particular emphasis on the humanitarian dimension of our work. We see this as a fundamental, unique and indispensable contribution of the CSCE process to the development of *détente*. We were heartened that the review of implementation confirmed that these humanitarian questions are a legitimate subject of multilateral discussion. Most of us do not regard such issues as family reunification as being of secondary importance, waiting in the wings while political and military considerations occupy centre stage. If anything, our deliberations here in Belgrade have confirmed us in our view that human rights will remain a central preoccupation of our Government and most other governments represented here as we move forward in meeting our mutual commitments.

In approaching this question, Canada proceeded on the basis that relations between states cannot remain unaffected where respect for human rights and fundamental freedoms is seen to be deficient. Our discussions have shown that we have a long, long way to go and this will take time before we can feel confident that the inherent dignity of the human person and his prerogative to know and act upon his rights are being respected in all places and in all circumstances. There is evidence that individuals who have tried to exercise rights that are endorsed in the Final Act are still being harassed, exiled, arrested, tried and imprisoned. This has led the Parliament of Canada to adopt resolutions as a unanimous expression of its deep concern in respect of what we see as violations of fundamental human rights. We earnestly hope that the attention that we have focused on these matters will encourage governments to reflect on the negative impact of their practices.

We had hoped that Belgrade would be the occasion for all signatory governments not only to reaffirm their pledges to respect human rights but also to act on them. We have never claimed that human rights are all there is to *détente*. What we have claimed, and what we do claim, is that, to the extent that *détente* rests on confidence, we cannot muster that confidence among our citizens unless it is seen to have a human dimension. Respect for human rights is part of the structure and balance of the Final Act. If we want the Final Act to be more than the sum of its parts, we cannot with impunity act as if the societies to which it relates were islands cut off from one another. Our concerns on these humanitarian issues are not motivated by a desire to wage ideological warfare or to interfere in the internal affairs of other countries.

In the specific area of human contacts, we tried to get acceptance for the idea that the provisions of the Final Act should be applied in such a way that family contacts — whether involving visits or reunification — would be facilitated as a normal routine so that such cases no longer would have to be the subject of individual negotiation between governments. We also tried to get agreement that governments would facilitate normal communication of ideas and information between individuals, particularly through the freer flow of printed material. For a country like Canada, with its close links with Europe, this is a matter of direct and practical relevance. As Canada's Minister of State for Multiculturalism, I am particularly conscious of the degree to which events in Europe have found their way into the consciences of our nation, and especially of that large portion of our population who trace their origins to Europe. In a freedom-loving society such as ours, questions of culture, religion and tradition are of fundamental importance and are to be respected along with civil and political rights.

We regret that our efforts to achieve a document of substance on these issues have been unavailing. We had hoped that, in this important area, it might be possible to distil some understanding about how the provisions of the Final Act could be carried out more effectively and in a more routine way. Some may be made uncomfortable by a discussion of these humanitarian concerns but distaste for them will not make them go away. Certainly, Canadian interest in them will not cease just because this meeting has ended. Our commitment to these goals will be vigorously maintained.

Canada will persist in underlining the importance of the humanitarian objectives for CSCE and *détente* which we, together with like-minded delegations, tried to advance here at Belgrade. We stand by the approach to *détente* that we took at the outset of the meeting. In our view, it is fundamental that the individual have a central role in the furtherance of *détente*. Its benefits must be passed along to the individual, so as to give him the widest possible opportunity for living in a safe and humane world, and for enjoying economic security, cultural enrichment and normal human relations.

We were charged by the Final Act to give consideration to the development of the process of *détente* in the future. Since the results of the Belgrade meeting are less than we thought possible or desirable, it is almost inevitable that there will be scepticism about the value of the CSCE process, or even conceivably about *détente* itself. In the view of Canadians (and this probably is true of citizens of many of the other participating states), *détente* does not have an independent existence. The public will weigh the reality of *détente* on the basis of results. We suspect, in view of the high expectations of our public, that it will be a source of disappointment in Canada that the ideas we hold to be so fundamental and have advanced so persistently and strongly have not been reflected in the document because of this meeting's inability to achieve consensus. However, we reaffirm our continuing commitment to these ideas and values.

I should, therefore, urge all delegations to give serious thought to what the meeting that has just taken place may mean for the broader process of *détente* and the CSCE. Some may argue that *détente* will not be much affected by this meeting or by public opinion. To some this may be a comforting thought, but they should not take it to be a foregone conclusion. The CSCE is not incidental to *détente*. On the contrary, it is a major international effort focusing on the two vital and complementary aspects of *détente* — the pressing issues of security and the effort to map out a broad range of co-operative relations. To have been unable to record common views on these matters here in Belgrade is in itself a commentary on how little any of us can take *détente* for granted.

The Canadian Government, for its part, remains firmly attached to the policy of *détente*. But *détente*, by definition, is a two-way street. It will not exist simply because we say to ourselves that it must. If we want it to be a reality, we must make it a reality. The lesson of Belgrade must not go unlearned. But we must be sure that we understand what it is. That we have not succeeded in putting words on paper is unfortunate; but it is not the heart of the matter. The heart of the matter is that commitments freely undertaken at Helsinki are carried out in practice. For that we should not need verbal reminders; the language of the Final Act is clear. We did not come here to alter it, and its provisions remain an indispensable yardstick against which performance will be measured. At Madrid we shall have a clearer picture of where we stand. It will then be five years from the signature of the Final Act. Public opinion in our countries is not likely to grant us much of a further reprieve if we are not seen by then to have pursued the course we charted together at Helsinki with a greater sense of commitment and with greater imagination. Belgrade and Madrid may be important milestones on that course, but the real test of the CSCE lies in the com-

mitment we are prepared to give to its continuity, and in whether concrete adjustments will be made in our national policies. We should not look for a miracle at Madrid to relieve us of the responsibilities of proper performance between now and then.

Some undoubtedly feel frustrated and disappointed by the concrete achievements to date.

I would ask them whether, a decade ago, they would even have envisaged that meetings such as this would ever have taken place.

Can anyone have doubts as to the value of nations of differing ideologies sitting down together and freely and frankly discussing their mutual concerns?

It is a significant and positive step forward. As long as this process of dialogue continues, we need not be discouraged.



Statements and Speeches

No. 78/5

THE UN ATTESTS THE COMMON ACCOUNTABILITY OF ITS MEMBERS

A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Twenty-third Regular Session of the United Nations General Assembly, New York, September 26, 1978.

A year ago I was critical of some of the procedures of our Assembly. I still believe that we need to act and speak so that our people can understand what it is we are doing here, and can have confidence in our decisions. I do not mean to imply that we ought to agree on everything or even try to settle everything. On the contrary, I think we should be careful to arrange our agenda so that we concentrate on the major purposes of the UN, and not on the headlines of the moment.

I am glad to note that the Secretary-General has echoed some of these sentiments in his annual report. But he also emphasizes that the pursuit of global objectives ought to take precedence over "nationalistic aims". Let there be no doubt that Canada too regards the UN as a vital and essential world forum, which serves important global purposes.

There are two international issues that have defied solution for more than three decades but that now have reached a crucial turning-point. Peace in the Middle East is closer. An internationally-acceptable settlement in Namibia could still be within our grasp. But to make the most cherished hopes of millions come true will require wisdom, patience, fortitude and restraint in the weeks and months ahead.

Eighteen months ago I joined my colleagues of the U.S.A., Britain, France and the Federal Republic of Germany in a concerted effort to bring about an internationally-acceptable settlement in Namibia. Since that day, a great deal of progress has been made. Painstaking negotiations, and the personal participation of foreign ministers at key junctures in the negotiating process, have demonstrated what can be achieved when political will and the determination to succeed are brought to bear upon seemingly intractable problems. After a year of detailed talks, and an intensive exploration of all the issues, the five Western members of the Security Council were able to draw up a compromise proposal, which I was privileged to introduce on April 25 to the Assembly's special session. At that same time, I was able to announce South Africa's acceptance of the plan. In July, SWAPO also accepted the Western plan, and we were thus able, with the full co-operation of the parties and the active support of the African "Front-line States", to take in the Security Council the first step towards the full implementation of our proposals. It was, therefore, with considerable optimism and satisfaction that we followed the progress of the special survey mission the Secretary-General dispatched to Namibia, under the leadership of his special representative, Mr Martti Ahtisaari.

When, on the basis of the findings of that mission, the Secretary-General published his

report and his recommendations as to how best he could discharge the mandate given to him by the Security Council, we had every reason to believe that the United Nations finally had in its hands the instrument capable of putting an end to 30 years of controversy and of bringing Namibia to independence in an internationally-acceptable manner.

It was, therefore, with shock and dismay that we heard last week of the South African Government's decision to proceed unilaterally with elections in that territory.

Neither of the reasons invoked by the South African Government is valid. First, I wish to declare most categorically that the Secretary-General's report is fully in line with the original Western proposal. That report is a professional assessment of the human and financial means required to perform the tasks our proposal calls for.

Secondly, apart from a few extreme elements, all of those who have a claim to represent sectors of the Namibian population have clearly expressed their preference for and acceptance of UN involvement in the independence process. The churches have done so, the Namibia National Front has done so and, as recently as September 15, the Democratic Turnhalle Alliance has done so. We simply cannot accept that there is now a need for some form of further consultation.

We are once more facing a grave situation. Our organization is now in a position to undertake the task of bringing to independence, through peaceful means, a new nation.

We must urge those who wish to stand in the way of such a noble enterprise to reconsider their decision. The South African Government must realize that its defiance of the will of the international community, particularly when that Government has been so closely involved in a long negotiating process, cannot be tolerated. The new Government of South Africa, which we understand will be formed by the end of this month, would be very seriously mistaken if it assumed that its actions in respect of Namibia would have no serious consequences. To those leaders inside Namibia who are being led to believe that they can solve their problems through some sham electoral procedure, I can only say: "Think of the future of your country. The road you are taking can only lead to a dead end. Make no mistake: a so-called government chosen through the so-called elections currently envisaged by the Administrator-General will never be recognized internationally. Instead of enjoying the benefits of free and close association with the rest of the world, you will only beget more bloodshed and bring about in the long run the destruction of what you hold dear." It is not too late, and I sincerely hope that all concerned will reconsider their course of action.

South Africa

The danger signals are clear. In November 1977, the Security Council imposed a mandatory arms embargo on South Africa, the first time the provisions of Chapter VII of the UN Charter had been invoked against a member state. This step confirmed a policy voluntarily observed by Canada since 1963. The invocation of Chapter VII of the Charter has rightly been regarded as a grave decision, taken only after the most serious consideration and a careful weighing of the implications. This decision there-

fore reflects our belief that the perpetuation of the *apartheid* system will result in a continuing deterioration of peace and stability in Southern Africa.

Canada has also expressed its support for a call to governments to review their economic relations with South Africa. Although this element was not incorporated in a Security Council resolution, the Canadian Government nevertheless decided to take certain steps. On December 19, 1977, for example, I announced that Canada was phasing-out Government involvement in commercial relations with South Africa and would issue a code of conduct to govern the behaviour of Canadian companies with operations in South Africa. The Canadian Government will continue to keep its general relations with South Africa under review.

Zimbabwe

My Government is much concerned, too, with the situation in Zimbabwe. We had hoped that the Anglo-American proposals and subsequent action by the Security Council would lead to general agreement. The attempt to follow a different path has had no success, and the country now faces increasing bloodshed and uncertainty. A continuation of the war would also have the gravest consequences for the stability of the region as a whole.

Clearly, an early meeting of all parties to the conflict is essential if there is to be any hope of securing a peaceful settlement on the basis of the generally accepted Anglo-American plan. Canada continues to hope that the plan might still be successful and would be willing, in such circumstances, to offer appropriate assistance.

Middle East

All of us must be heartened by the remarkable progress achieved over the past year towards a just solution to the Middle East conflict. President Sadat's historic visit to Jerusalem less than a year ago and the warm reception given to him by Prime Minister Begin and the Israeli people have had a dramatic sequel in the accords at Camp David. The Government of Canada has sent its congratulations to President Carter, President Sadat and Prime Minister Begin for this act of statesmanship. The prospect of a real and durable peace is now much closer, though serious issues remain to be resolved.

Canada supported and encouraged the negotiating process begun in Jerusalem. We welcomed the bold initiative of President Carter in again bringing the heads of government of Israel and Egypt together at Camp David, and we endorse the agreements reached there. They are a milestone on the long road to peace, a road Canadian soldiers have watched over for more than 20 years. We hope that, after due consideration, the nations concerned will find that the framework established at Camp David constitutes a sound basis for moving towards a general peace settlement.

The process of direct negotiation of the difficult and sensitive issues at the heart of the problem must continue. All parties face agonizing and hard decisions. But my Government is confident that the will exists to take the next steps. Meanwhile, the deliberations of this Assembly should serve to bolster confidence between the parties and to facilitate their negotiations. Surely we must try to avoid recriminations and polemics, now that serious negotiations are under way. I am well aware that deep differences of view exist, nor do I question the sincerity of such views. My plea is that

we make an effort to moderate passions, to encourage constructive action in the area, and to strengthen the prestige and competence of the UN in the search for solutions.

For all concerned, these are days of both accomplishment and opportunity, which require patience and fortitude. We do not know what the ultimate shape of a peace settlement might be. It might make provision for international involvement to assist in the implementation of its terms. Canada would consider very seriously a request to make an appropriate contribution to such an enterprise. Canada also hopes that other aspects of the problem will be addressed in the context of resolutions adopted by the Security Council. It may well be that generous financial contributions from the international community will be required; here too, Canada will certainly be prepared to assist within the limits of its capacity.

Human rights

A third question demanding immediate attention and action is the lack of progress we have made in the United Nations in the protection of human rights throughout the world. A tragic example of this is the situation in Democratic Kampuchea. On September 8, my Government brought to the attention of the Commission on Human Rights a detailed public report based on a series of voluntary statements made to Canadian representatives by individual Kampuchean refugees, a great many of whom had left Democratic Kampuchea recently. The testimony of the refugees clearly supports allegations from a variety of other sources that the Government of Democratic Kampuchea has systematically violated the fundamental human rights of its citizens, and that the repression and the killing are continuing. This situation cries out for the kind of effective action that this organization should be able to provide.

The Canadian Government considers that an immediate investigation of the human-rights situation in Democratic Kampuchea should take place. I urge members of this Assembly to support our recommendation to the Commission on Human Rights to take such action. I also ask members of the Assembly to consider their obligations to the increasing numbers of refugees from Vietnam, Laos and Kampuchea that are now under the care of the United Nations High Commissioner for Refugees.

To date, Canada has accepted 7,000 refugees from that area, including those from former Cambodia. In doing so, we have accepted the full costs of their resettlement in our country. These costs are in excess of \$3.7 million, which Canada regards as an important, if indirect, contribution to the valuable work of the United Nations High Commissioner for Refugees. In the light of the tragic situation in Democratic Kampuchea, I wish to take this occasion to announce that Canada will increase from 50 to 70 the number of refugee families from Vietnam, Laos and Kampuchea we shall accept each month. I expect that over the next 12 months more than 1,000 additional refugees will find a new home in Canada. Furthermore, Canada will contribute an additional \$500,000 to the High Commissioner for his valuable relief and assistance work in Southeast Asia.

The case of Kampuchea is not unique in demonstrating that in the field of human rights the official record of the United Nations creates an illusion of much greater progress than we have managed to make. There is no dearth of promising language on

the international statute books. Unfortunately the gap between promise and performance has not narrowed much. Reports of gross and persistent inhumanity continue to claim the attention of the world community. Governments continue to renege on commitments they have freely assumed in international instruments.

In short, we are still a long way from an international consensus on human rights. Historians will wonder why it should have been so. They will be hard put to it to explain how we could be very near a consensus on how to preserve the quality of our seas and yet unable to conduct so much as a civil dialogue on how to preserve the dignity of the human person. They will be hard put to it to explain how we had begun to redistribute resources internationally to sustain human beings in their material needs but could not ensure that men and women would be free to exercise their most elementary human rights.

Here, as elsewhere, we have a choice. Human rights are a problem of international dimensions. Their recognition and promotion, as the Secretary-General reminds us, are "a legitimate concern of the world community". The new prominence that human rights has acquired is part of the natural evolution of an international system. Like so many other concerns, the concern about human rights can no longer be contained behind national boundaries. It is not a matter of laying down to governments how they should fashion their political or economic systems. It is simply a matter of making certain that governments observe the fundamental decencies of civilized life to which they have all pledged allegiance.

The issue of human rights will not go away. We have a clear choice. We can decide that the United Nations must face the issue squarely, or we shall be forced to go elsewhere to seek a tolerable international consensus. In the view of the Canadian Government the choice is clear. We believe that the United Nations is ideally equipped to evaluate objectively, dispassionately and impartially allegations of human-rights violations. The better it is seen to function, the more confidence this organization will command and the less individual governments will feel bound to call for action against others for gross and persistent violations of human rights.

We believe that the United Nations can improve its investigation of allegations of human-rights violations. We welcome, therefore, as a significant precedent, the decision of the Government of Chile to receive an investigating group. My Government also considers that the capacity of the Office of the Secretary-General to investigate and to intercede when necessary, as well as its authority to do so, should be augmented. Canada further proposes that the Bureau of the Commission on Human Rights be empowered to meet between sessions to consider apparent serious violations of human rights, and when necessary to make its views known to governments.

Human rights can be violated in many ways, but surely one of the most despicable is international terrorism. Innocent lives are placed in jeopardy, while the culprits often go unpunished or even undetected. Terrorism holds our society to ransom, and threatens governments in all parts of the world. There must be no confusion between ends and means. Terrorism is beyond the bounds of legitimate dissent. It degrades

every cause it claims to serve. The international community, which is pledged to eliminate war as an instrument of policy, can hardly accept terrorism as a tolerable aspect of international life.

Resolution 32/8, adopted by consensus at the last session of the General Assembly, dealt with a specific aspect of terrorism — hijacking. That resolution called on governments to take joint and separate action to ensure the safety of civil aviation, and it was strongly endorsed by the Canadian delegation. We have continued to stress the need for further international action to combat terrorism in all its manifestations. Prime Minister Trudeau's initiative in developing and presenting a declaration on hijacking at the Bonn "summit" in July clearly underlined Canada's commitment to take action to deal with this problem. The declaration commits the seven governments to suspend air-links with countries that do not extradite or prosecute hijackers who come within their jurisdictions.

Participants in the Bonn meeting urged other governments to associate themselves with this commitment. Many governments have indicated that they are prepared to do so. We urge all other members of the international community to follow this course as well.

Security Council

As Canada nears the end of its latest term on the Security Council, I inevitably have mixed feelings. We have welcomed the opportunity to play a direct part in contributing towards the resolution of the issues of peace and war brought to the Council. We have participated — I believe effectively — in some very important decisions. But we have also felt some frustrations, which I suppose are shared by most non-permanent members. Periods of service on the Council are too infrequent to build an extensive background of experience or to have much impact on the way the Council meets the responsibilities set out for it in the Charter.

We have been impressed by the progress the Council has made since our last term ten years ago. There has been the adoption of quietly-effective negotiating techniques, which have encouraged a sense of co-operation and collegial spirit in its work. We think that, for the most part, the Council has done a good job in dealing with the matters before it.

But we have not changed our view that the Council is too passive. All too frequently, it turns a blind eye to situations that clearly constitute a threat to international peace and security. It continues to ignore its responsibility under the Charter to try to head off such threats before they arise. In my statement before this Assembly a year ago, I expressed the belief that informal and private exchanges between political leaders represented on the Council would help it to fulfil its responsibilities. In all candour, I must report that we found that some of our colleagues were opposed to this approach. However, I continue to be convinced of the value of the conception of periodic meetings of the Council at ministerial level. Such meetings could give the Council the high-level political direction that is essential if it is to take the initiative in preserving peace when conflict is anticipated, as well as restoring it when conflict has occurred. I know that I am not alone in expressing these views, and I urge those members of the

Council, present and future, who share them not to give up their efforts to have the Council fulfil its role as envisaged in the Charter.

I also think that it is time to consider again the size of the Council. In 1965, when the membership was increased from 11 to 15, there were 118 members of the UN. Now there are 150. Many states that would contribute well to the work of the Council must wait a generation before they can hope to serve.

Although no longer a member of the Council after the end of this year, Canada will follow with deep interest the Council's deliberations. We shall be prepared to contribute in any feasible way to strengthen this organization's peacekeeping capacity, and to help galvanize its will-power in the spirit of friendly relations, co-operation and harmony called for by the United Nations Charter.

Disarmament

Looking back over the past year, I take satisfaction from the special session on disarmament.

The disarmament session adopted by consensus a program of action that clearly identified the most urgent negotiating tasks, including vigorous pursuit of measures to curb the nuclear-arms race, the conclusion of a nuclear-test ban treaty, and negotiation of an effective agreement on chemical weapons. Proposals made by my Prime Minister and by other leaders are under active discussion in many capitals. The session's final document is the most authoritative statement of views, aspirations and objectives ever produced on the subject of arms limitation and reduction. It is our compass and our incentive for the work ahead. We must respond with determination to meet the challenge posed by the program of action.

The special session on disarmament was a useful reminder, too, of the value of reaching our conclusions by consensus when important issues are at stake. Improvements in our procedures need to be made if we are to find time for these issues and to discuss them seriously. A number of useful proposals to this end have been made that Canada endorses.

Peacekeeping and peacemaking

While disarmament may be the ultimate answer to international security, peacekeeping and peacemaking are also essential to contain threats to peace. Over the years, Canada has joined many other countries in supporting UN peacekeeping missions. We have supplied military or other personnel for every UN peacekeeping force that has taken the field, including the United Nations Interim Force in Lebanon, established last March.

The Council acted promptly and wisely in deciding to insert a UN force into the troubled situation that has prevailed in Southern Lebanon. The organization and subsequent conduct of UNIFIL is a tribute not only to the skilful diplomacy of the Secretary-General and his staff but to the readiness of member states from most regions of the world to help with UN peacekeeping. We cannot overlook, however, that UNIFIL has encountered problems in fulfilling all the terms of the mandate, and that the Lebanon Government has not yet been able fully to restore its sovereignty.

The future success of UNIFIL will depend on the forbearance and goodwill of all the parties involved — as, indeed, on the extent to which current and potential contributors to UNIFIL can plan their participation.

States that contribute contingents to peacekeeping forces are bound to be influenced by their perceptions of the kind of co-operation these troops receive from the parties. They will be influenced, too, by the kind of support these operations receive from the rest of the membership, especially the permanent members of the Security Council. I note with regret that two permanent members have said they will not help pay for UNIFIL.

My country is unusually sensitive to the need for the UN to improve its advance-planning arrangements for peacekeeping. It was only with considerable dislocation of our own requirements that we were able to supply specialized personnel for UNIFIL, and then only for six months. I urge all member states to consider again the earmarking of personnel, services and equipment for this kind of contingency. If the Secretary-General is to carry out the instructions given to him by the Security Council, which are usually based on the principle of equitable geographical distribution, he must have the widest possible freedom to select the resources required. The lack of readily-available communications and logistics personnel is particularly regrettable. It is more than time that the Special Committee on Peacekeeping Operations made firm recommendations on these questions.

Earlier this year, I had occasion to assess the situation in Cyprus at first hand. My visit confirmed my view that the parties to the conflict ought to be able to settle their differences by negotiation.

Canada has a direct interest in a solution of the Cyprus problem. Canadian contingents have been in Cyprus, as part of the UN force, for 14 years. Some of our soldiers are now doing their fourth tour of duty on the island. Many Canadians are beginning to feel that the continued presence of the force, instead of paving the way for a solution, may be a factor in impeding it.

The history of Cyprus as an independent and sovereign member of the international community has been troubled. I believe that no useful purpose would be served in drawing up a ledger of responsibility for events that now lie in the past. What the international community has a right to expect of the people of Cyprus is that they use the resourcefulness and resilience they share with their Mediterranean neighbours, and such goodwill as still obtains, to draw up a new blueprint for their national existence in which all the parties will see their interests tolerably guaranteed. Given the legacy of the past, this will not be an easy enterprise. Nor will it, in my judgment, be achievable at all unless the process of negotiation between the two communities is made continuous. Otherwise the momentum that has at one point or another been built up will inevitably be dissipated. The good offices of the Secretary-General are available to the parties. I would urge them to take full and prompt advantage of them.

Economic and social questions

I have been discussing important issues of peace and security. We also expect this Assembly to address and influence those economic and social questions that are so vital to the welfare of our peoples. Peace and security will remain distant goals unless the basic economic and social needs of mankind receive adequate attention.

As each of our governments tries to deal with economic and social issues in the context of our national interests, we become increasingly aware of the wide-ranging effects of our actions. Improvements in our economic and social conditions can be found only in policies that fully recognize this interdependence among states and among issues. None can be dealt with effectively in isolation. That is why it is so important for us to discuss these issues effectively in this body.

The industrialized countries account for a major share of international economic activity and their policies therefore have a particular impact upon the health of the world economy. We know that the recent performance of our industrial economies has not been good enough. The leaders of seven major industrialized countries met just over two months ago and agreed on measures they would take, individually and collectively, to improve this performance. My own Government has since announced a series of measures designed to strengthen the growth of the Canadian economy. These efforts to improve our national economic performance are not inward-looking. On the contrary, my Government remains convinced that a truly open world-trading system provides the best framework for sustained economic growth for all of us. It also remains convinced that the problems of the industrialized world can best be solved by means that benefit all countries, developed and developing alike.

There is no quick or easy solution to current domestic or international economic difficulties, particularly those of the world's poorest countries, but some of the imperatives are clear. We must improve economic growth to enhance the international economy's ability to help meet the aspirations of developing countries for a more just economic order. We must resist pressures for self-defeating protectionism. We must bend every effort to a successful conclusion of the Multilateral Trade Negotiations, including satisfactory benefits for developing countries as well as for the world's principal traders.

Frank and open exchanges on vital problems affecting the world economy must take place here. But, if the General Assembly is to play its proper role in the process of working out equitable solutions to these problems, we need to clarify the mandate of the Committee of the Whole established under Resolution 32/174 and to make that committee work. We must give the committee a mandate that clearly defines its role as an instrument of the General Assembly. If we ask it to perform tasks that are the proper responsibility of other international bodies, we shall do harm to a potentially-valuable instrument.

As I said earlier, the dialogue on economic issues continues on many fronts. Some progress is apparent. Prospects for a new food-aid convention have improved. Canada will participate actively and constructively in the resumed negotiations on a Common Fund for Commodities, and we are confident progress can be made there as well. The calendar for 1979 is very challenging — UNCTAD V in Manila, the World

Conference on Science and Technology for Development in Vienna, the need to develop a new international development strategy for the 1980s and beyond. Canada has a deep interest in each of these events. This General Assembly session should contribute to their preparation as well as to the preparation of such events as the proposed World Conference on Renewable Sources of Energy. I invite delegations to help to keep us on the path of consensus in this process. Progress on all of these issues is at times frustratingly slow, but we must persist in our efforts until we succeed.

Law of the sea

Over the past year, the Third United Nations Conference on the Law of the Sea has made important progress towards adoption of a comprehensive oceans treaty. I am particularly encouraged by the improvements in the informal Composite Negotiating Text on the prevention and control of vessel-source pollution. The new text does not yet fully meet my Government's objectives in this field. Nevertheless, it reflects an increasing awareness by the international community of the need for a more balanced sharing of coastal- and flag-state rights and duties. The tragic and devastating oil-spill off the French coast earlier this year graphically demonstrated the obsolescence of the traditional rule of flag-state sovereignty.

Most of the major elements of a global oceans treaty are now virtually agreed on. What remain are the most difficult "hard-core" issues, relating primarily to an international system for deep-seabed mining, and the translation of the common-heritage idea into an equitable system for extracting the minerals of the deep ocean-bed. Our goal is unprecedented in international institutions — the establishment of an international organization with both regulatory responsibilities and a role in the actual exploitation of natural resources. The implications for the new economic order are profound and farreaching. Thus, no matter how exacting or frustrating the negotiations may still be, we cannot afford to let the conference fail, particularly now that it has accomplished so much and home port is within sight.

Canada agrees, however, that the conference must be brought to a conclusion as soon as possible. While an arbitrary deadline could impede, rather than expedite, the work of the conference, we believe that the negotiations should end during the course of 1979. This would lead, we hope, to the adoption of a draft treaty in the early part of 1980. Canada will give its full support to the attainment of this objective.

In conclusion, I think it vital that we remember, during the course of this session, why we come here every year. Despite its flaws and failures, the United Nations binds us to certain basic principles, which are as valid now as they were in 1945. This organization has stood for a third of a century as witness to the ideal of the common accountability of every nation for enlarging the security, prosperity and dignity of all mankind.

The challenge is to ensure that the UN system responds to the complex and changing environment in which we live. Our basic principles must not be encrusted with bureaucratic procedure. The momentum of this institution must be towards the issues of the day, not away from them.

I am confident we shall meet this challenge.

S/C



Statements and Speeches

No. 78/6

CANADA SUPPORTS A NEW PROPOSAL FOR NAMIBIAN INDEPENDENCE

An Intervention by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Special Session of the United Nations General Assembly on Namibia, New York, April 25, 1978.

I have the honour to address this ninth session of the General Assembly on behalf of the Governments of Britain, France, the Federal Republic of Germany, the United States of America and Canada. Our five countries, members of the Security Council, have, over the last year, devoted much attention and effort to the resolution of the serious issue that is the very reason for our gathering here today — that is, the question of the independence of Namibia. We should, therefore, like to present to you our common view of the situation at this juncture and to make known our common belief that an internationally-acceptable solution of this problem may well be within our grasp, if all concerned will manifest the necessary determination and political will to put an end to years of injustice in that territory.

With all of you, we have shared the conviction that the international territory of Namibia is illegally occupied by South Africa and that this occupation must come to an end. With all of you, we have shared an intense concern at the extension into Namibia of *apartheid* and racial discrimination and at the continuing repression of Namibians under that system. Like many of you, we have been concerned that the perpetuation of this deplorable situation would sooner or later affect the political stability of the entire Southern African area. It is, therefore, in full accord with the aspirations and objectives of the international community that we undertook, as the members of this international community in the best position to do so, to seek out practical ways and means to end this 30-year-old stalemate.

In the spring of 1977, it became apparent to all of us that the installation of the Turnhalle Constitution, as it was called, was imminent. The adoption of legislation to bring it into effect, forecast for June 1977, would have resulted in the unilateral establishment of a government based on ethnic groups and excluding participation by any political party, and, most important, by one of the major political movements in the territory, SWAPO. Such an action, it was clear, would not result in an internationally-acceptable solution to the Namibian question and would, furthermore, by dividing the population of Namibia on an ethnic basis, and by ignoring the aspirations of its people for true independence and unity, lead to increased violence. It would have perpetuated the unsatisfactory situation that has prevailed in that territory. In the face of this dismal prospect, our five countries decided to make a concerted effort to investigate whether, by means of the existing relations between themselves and South Africa, it might not be possible to find a practical way of implementing Security Council Resolution 385, which was adopted unanimously. That resolution comprises the most comprehensive approach ever adopted by the Council to the desired resolution of the Namibian problem.

The General Assembly will recall that Resolution 385 embodies in its terms the following essential elements: It calls for free elections, under the supervision and control of the United Nations, to be held for the whole of Namibia as one political entity in order that the people of Namibia may freely determine their own future; it envisages the establishment of the necessary machinery within Namibia by the United Nations for the supervision of such elections, and of conditions that would enable the people of Namibia to organize politically for the purpose of such elections; it envisages the withdrawal of the illegal administration of South Africa and a transfer of power to the people of Namibia with the assistance of the United Nations; and it demands that South Africa, in the interim, comply with the provisions of the Universal Declaration of Human Rights — release all Namibian political prisoners, abolish the application of all racially-discriminatory and politically-repressive laws and practices, and accord unconditionally to all Namibians currently in exile for political reasons full facilities for return to their country without risk of arrest, detention, intimidation or imprisonment.

From the outset, our five governments have recognized that we had no mandate to enter into negotiations or to make any agreements regarding Namibia. We were acting as a result of the responsibilities we bear as members of the United Nations Security Council. We have acted as an informal contact group and it has been our intention, clearly expressed to all parties, to bring this exercise within the scope of the Security Council at the earliest feasible time.

I believe it would be useful for me to provide to the Assembly a résumé of our experience over the past 12 months and of the evolution of this matter. At the outset, our efforts were greeted with mistrust and suspicion on all sides and, in particular, on the part of the principal interested parties, the Government of South Africa and SWAPO. Indeed, each was convinced that our efforts were designed to deliver Namibia into the hands of the other without regard for their interests, or for the interests of the Namibian people as a whole. I wish to emphasize this fact as it serves as a benchmark for measuring the distance we have come since that time (and that distance is very considerable).

On April 7, 1977, our five governments presented to South African Prime Minister Vorster an *aide-mémoire* expressing our belief in the necessity of a Namibian settlement in keeping with Resolution 385 and thereby acceptable to the international community. We emphasized that the activities of the Turnhalle Conference did not meet those standards and informed the Government of South Africa that, in the absence of an early South African agreement to pursue an internationally-acceptable solution, the five would be obliged to consider very seriously the measures to be taken. Initially, the South African Government indicated that it would be willing to engage in further talks with the five governments but that it would not interfere with the Turnhalle process.

After further informal exchanges, the five determined it would be necessary for them to form a contact group and to embark upon more detailed discussions with South Africa on the possibilities of moving towards the stated objectives. To this end, a contact group comprising senior officials of our governments and including senior

representatives of our New York missions went to South Africa during the period April 27-29 for discussion of most of the issues associated with the Namibian question and of the elements embodied in Resolution 385. At the conclusion of those discussions, in an important development, South Africa indicated the intention to forego the implementation of the Turnhalle Constitution through the proposed legislation, to establish instead a central administrative authority in Namibia, and to hold territory-wide elections, with direct United Nations involvement, for a constituent assembly, whose task it would be to decide upon a constitution for Namibia.

I wish to emphasize that, during the period April 1977 until January 1978, our five governments took no position whatsoever on elements that might lead to a practical implementation of Resolution 385. We made clear to each of the principal parties and to all others that we were exploring attitudes and ideas and that we would take no position. Our means of consultation and exploration evolved as the exercise progressed. For example, following the first round of discussions by the contact group in South Africa, we subsequently engaged in discussions with SWAPO, the United Nations Secretary-General, representatives of Tanzania, Zambia, Mozambique, Angola, Botswana and Nigeria, and, as well, other internal Namibian groups, on the results of the initial exploratory talks with South Africa. Those early consultations were particularly important in providing us with an understanding of various concerns. Further talks took place in Southern Africa and in New York between the contact group of the five and the principal interested parties as follows: with South Africa in Capetown, June 8-10, 1977; with SWAPO in New York, August 8-11, 1977; with South Africa in Pretoria, September 22-26, 1977; and with SWAPO in New York, October 14-19, 1977. Following each round of discussions, we again provided full briefings to all parties and states concerned, including the members of the Security Council and the Council for Namibia.

In late November and early December, the contact group carried out an exhaustive round of consultations and discussions with African countries in a position to assist in the effort to bring about a negotiated settlement in Namibia. During the period November 21 — December 12, they met in the relevant capitals with President Nyerere of Tanzania, Foreign Minister Chissano of Mozambique, President Khama and Vice-President Masire of Botswana, President Kaunda of Zambia and Prime Minister do Nascimento and Foreign Minister Jorge of Angola, and with Head of State Obasanjo of Nigeria. They met once more with South Africa and twice during that period with SWAPO.

Following this exhaustive round of consultations and discussions, the five governments determined that the areas of concern of the different parties had become so apparent — and the differences between them so narrow — as to make it advisable for the five to take a position on what they considered to be a pragmatic, reasonable and fair means of implementing Resolution 385. Therefore, during the month of December, the five governments invited South Africa and SWAPO to participate in discussions with them in New York. Each party was informed that it was the intention to hold similar discussions in New York during the same period with the

other principal parties. The importance the five governments attached to these "proximity" talks, which eventually took place on February 11 and 12, was reflected in the participation in them by my colleagues, the foreign ministers of France, the Federal Republic of Germany, Britain, the United States of America, and myself. At the ministerial-level meetings, the Government of South Africa was represented by its Foreign Minister, Mr Botha, and SWAPO by its President, Mr Nujoma. I might add that the SWAPO delegation to those talks, for the first time, included representatives of the internal Namibian branch of SWAPO.

Apart from the talks with the principal parties, ministerial-level consultations also took place with the Secretary-General and his officials. We also held discussions with the foreign ministers of the "front-line" states present in New York — Mr Mwale of Zambia, Mr Mkapa of Tanzania, Mr Mogwe of Botswana — and with senior representatives or ambassadors of Angola, Mozambique, Nigeria, Mauritius and Gabon. Also, during this period, delegations from other Namibian parties travelled to New York and were received by officials of the five governments. The exercise was discussed with them in considerable detail and their views and concerns were presented to my colleagues and myself.

At the conclusion of the February talks, our five governments were convinced that the proposal that had been put to the parties during the talks embodied in its elements a very reasonable means of implementing Resolution 385 in a manner that took into full account the real and the perceived concerns of each, and in a manner that could bring about in the very near future a resolution of the Namibian question. There nonetheless remained certain areas that demanded further study on our part and further consultation with various parties. Certain of the provisions required clarification or improvement in drafting. This process of clarification was an extremely complicated one, and required numerous exchanges between our capitals, with the principal parties through embassies, with some African states, and with the Secretary-General. Our proposals were finalized at the end of March and were presented to the interested parties on March 29 and 30. They were circulated as Document S/12636 of the Security Council on April 10.

I have taken the time to describe this process in order that all should understand the measure of intense diplomatic activity that has been involved in this consultation process. We wish to pay tribute to the seriousness and conscientiousness of the participation and the constructive attitude that has emerged on the part of all with whom we have dealt. Whatever their initial hesitations, they have, for the sake of Namibia's future, suspended to a degree their suspicions and have sought to identify, in practical terms, their concerns and the means by which those concerns might be met, while taking account of, though not necessarily accepting, those of others.

In terms of substance, each of the parties was initially preoccupied with the conflicting legal and political positions on this issue. At the outset of the initiative, the five were only too well aware that, as it was these contradictory legal positions that had for more than 30 years impeded any progress towards the resolution of the Namibian situation, it was essential neither to endorse nor to challenge the position of any party

but rather to seek, without prejudice to that position, a practical means of implementing the provisions of Resolution 385. Our proposal, therefore, at no point takes any stand that prejudices a long-held legal or political position; rather, it moves between questions of legality as the only effective way to bring about a resolution of the issue.

The positions of South Africa and SWAPO have evolved substantially since April 1977. South Africa, originally unwilling to contemplate any alternative to the Turnhalle conception, has come to accept in the context of an internationally-acceptable solution far-reaching measures involving United Nations involvement in such a manner as to guarantee the impartiality of the electoral process and the necessity of full arrangements to ensure that there will be no intimidation from any source during that process. In the proposals it put forward in December 1977, South Africa acquiesced in the general conception, and in many specifics, of the approach embodied in our proposal. Up to the present time, there have remained some crucial areas of disagreement, including the number and location of the residual element of the South African forces. On these issues, as on others, however, there has been a considerable narrowing of the differences between the parties.

On the SWAPO side, there has been, as well, considerable evolution since the exercise was undertaken. SWAPO's initial position was that the South African administration in its entirety should be removed from the territory. SWAPO was convinced that elections could not be held in the presence of South African forces, that the symbolic presence of even one South African soldier would provide a counter-productive psychological climate in the territory. At the last round of discussions with SWAPO, SWAPO had come to accept, without prejudice to its legal position or to that of the United Nations, that it was possible to envisage an election process free of intimidation in the presence of the *de facto* administration as long as the South African military presence was reduced to a maximum of 1,500 and confined to one base in the south of the territory, and as long as the police were appropriately monitored and supervised, and that these tasks were undertaken by a substantial United Nations civilian and military force. SWAPO, furthermore, indicated a readiness to envisage the release of Namibians wherever they were held in the context of an internationally-acceptable solution. SWAPO has, furthermore, emphasized its commitment to participate in free and fair elections under United Nations supervision and control and to abide by the results of such elections.

I should like to describe very briefly the essential elements of our proposal for a settlement of the Namibian question. On the basis of Resolution 385, we consider that the key to an internationally-acceptable transition to early independence is free elections for the whole of Namibia, as one political entity, with appropriate United Nations supervision and control. To that end, we shall seek the establishment of a substantial United Nations presence, both civilian and military, which we have tentatively called the United Nations Transition Assistance Group (UNTAG), to be led by a United Nations special representative, appointed by and responsible to the United Nations Secretary-General. Working together with the South African Administrator-General, this special representative would have as his primary task to

satisfy himself that all conditions existed to ensure free and fair elections. Thus, he would see to it that all repressive measures or regulations were repealed, all freedoms restored and all Namibian political prisoners or detainees, wherever held, released so that they could participate fully and freely in the electoral process.

Free elections cannot be held in conditions of repression; neither can they be held in conditions of insecurity and intimidation. Until an independent Namibia assumes responsibility for its own security, the international community must insist that there be adequate means to assure law and order and the overall security of the territory. Thus the proposal calls for a comprehensive cessation of all hostile acts. It makes provision for the maintenance of law and order and for the introduction of a military section of the United Nations Transition Assistance Group, combined with the phased withdrawal of all but 1,500 South African soldiers. These 1,500 men will be restricted to one or two bases and monitored by the United Nations pending their withdrawal. We would argue for a firm and specific mandate to ensure observance of the provisions of the agreement.

We believe these positions are adequate for security. But they will obviously have to be applied in the light of developing conditions. It is our hope that the parties and the surrounding states will take the necessary measures to assure that the security provisions of the proposal are strictly adhered to. For our part, as members of the Security Council, we should view with grave concern any actions during the transition period that could threaten the security of Namibia and its prompt achievement of independence, and we should act accordingly.

Once the elections have been certified, the constituent assembly will meet to consider the remaining steps towards independence, including the drafting of the future constitution of Namibia.

The Assembly will note that this proposal places its full confidence in the ability of the United Nations to discharge the substantial and complicated task involved in assisting the process of the Namibian elections and transition to independence. We believe that the United Nations will show itself equal to this task. The important role that it will play in guaranteeing the stability and security of the territory with the co-operation of the *de facto* administration can result in the impartial process that is envisaged. It is important to be aware that, initially, some Namibian parties were sceptical about the ability of the United Nations to undertake this task with impartiality. We believe that they have been persuaded that, on each occasion that the United Nations, under the guidance of the Secretary-General, has been involved in a process either of peace-keeping or of assisting a territory to independence, it has done so with competence and impartiality. The proposal calls for free and fair elections in accordance with Security Council Resolution 385, and it is to this task that the United Nations Transition Assistance Group will address itself.

The General Assembly will have noted that we have omitted from our proposal the difficult question of Walvis Bay for the reason that we see no way of settling the question in the context of the present negotiations. We feel strongly, however, that

the issue should not delay the long-sought-after independence of Namibia. We consider that all aspects of the question of Walvis Bay must be subject to discussion between the South African Government and the elected government of Namibia. We have, furthermore, obtained assurances that the strength of the South African force in Walvis Bay will not be increased during the transitional period and that Namibians in Walvis Bay will be able to participate in the political life of the territory during the transitional period, including voting in the elections.

The Governments of Britain, Canada, France, the Federal Republic of Germany and the United States of America give our unreserved backing to the proposal we have transmitted to the Security Council. We believe that the proposal provides an effective and pragmatic basis for implementing Resolution 385, while taking account of the interests of the parties involved and of the special circumstances associated with the decolonization of Namibia. So far as we are concerned, South Africa's presence in Namibia is illegal and must be ended. At the same time, we have to recognize the facts of life — that South Africa controls and remains in Namibia and has done so for 60 years. The proposal is the result of lengthy and intensive consultations with the interested parties.

Our five governments are now presenting this proposal not as a basis for negotiation but as a practical means of implementing Resolution 385 and therefore bringing about the independence of Namibia in an internationally-acceptable manner and in the very near future. We believe it is essential now to proceed urgently in order to forestall any counterproductive developments that might precipitate an internal settlement with all the repercussions for peace in the area that would follow and that would result in the continued suffering of the Namibian people.

We are fully aware that our proposal will, in one element or another, cause difficulties to the principal parties. Nonetheless, in our discussions, we have narrowed the differences between the parties to the point where the reasonable middle ground has clearly emerged. It has been embodied in our proposal. It is now a question of political will; South Africa, SWAPO and all other Namibian groups must decide whether to accept this proposal as a means for an early and peaceful resolution of the question, or face the tragic alternative of many years of violence and turmoil.

We must appeal to all members of this Assembly to devote their energy to what is possible. We are not asking anyone to sacrifice principles; we are not advocating the perpetuation of current abhorrent practices. On the contrary, we urge all members of the international community to seize this opportunity to bring to a very early end what we have repeatedly condemned in this hall. We wish to see within the next few months the people of Namibia — all of the people of Namibia — enjoy their fundamental right to a peaceful, freely-determined existence within an independent and sovereign Namibia. We, for our part — and, we hope, with the assistance of every member of the international community — shall continue to exert every effort to this end. Let us not fail to answer the call of the Namibian people in their hour of need.

Shortly before arriving in this hall this morning, I was informed that formal acceptance of our proposal by the South African Government was communicated to

our ambassadors in Cape Town. As our five governments have not had sufficient time to study the statement made by Prime Minister Vorster in South Africa's Parliament, we do not propose to comment on it at this stage except to welcome this important development in the position of one of the main parties concerned.

S/C



Statements and Speeches

No. 78/7

DISARMAMENT: THE PROBLEM OF ORGANIZING THE WORLD COMMUNITY

A Speech by Prime Minister Pierre Elliott Trudeau to the United Nations General Assembly Special Session on Disarmament, New York, May 26, 1978.

Canada takes its place in a world discussion on disarmament as an industrial country, geographically placed between two heavily-armed super-powers, with an obvious stake in the prevention of war in a nuclear age.

We are a member of a regional defensive alliance that includes three of the five nuclear-weapon states. We are, nonetheless, a country that has renounced the production of nuclear weapons or the acquisition of such weapons under our control.

We have withdrawn from any nuclear role by Canada's Armed Forces in Europe and are now in the process of replacing with conventionally-armed aircraft the nuclear-capable planes assigned to our forces in North America. We were thus not only the first country in the world with the capacity to produce nuclear weapons that chose not to do so; we are also the first nuclear-armed country to have chosen to divest itself of nuclear weapons.

We have not, for more than a decade, permitted Canadian uranium to be used for military purposes by any country. We are a country that maintains strict controls over exports of military equipment and does not export any to areas of tension or actual conflict. We are, on the other hand, a major source of nuclear material, equipment and technology for peaceful purposes.

It has been an assumption of our policy that countries like Canada can do something to slow down the arms race. But, obviously, we can do a great deal more if we act together. That is why a great responsibility rests upon this special session.

It is not the business of this session to negotiate agreements. That will be the task of others. What we are here to do is to take stock and to prescribe. High expectations are focused on our deliberations in all our countries. To do justice to these expectations we must impart a fresh momentum to the lagging process of disarmament. The time could not be more opportune for doing so.

One of the most important instruments of arms control we have been able to put in place is the Non-Proliferation Treaty. It is also one of the most fragile because any party may withdraw from it on three months' notice. The treaty reflects a delicate balance of undertakings. Many non-nuclear-weapon states regard it as an unequal treaty. It is all the more important for the nuclear-weapon states to strengthen confidence in the treaty. The best way to do so is to take early and effective steps to bring the nuclear-arms race to a halt. That is the undertaking the nuclear-weapon states assumed when they signed the treaty.

Non-proliferation is not the only dimension of the international system that is put at risk by an unrelenting arms race — *détente* also is in danger. The dominant premise of a policy of *détente* is confidence. That is how it is defined in the Final Act to which 35 heads of state and government subscribed in Helsinki in 1975. Only in a climate of confidence will it be possible, over time, to transcend the harsher realities of divergent ideologies and to fashion the links of a co-operation based on common interests and concerns. The arms race cuts across these purposes. The development of each new weapons system carries the risk of unbalancing the existing security equation. A policy of political *détente*, which has to be based on confidence, cannot be expected to withstand such strains indefinitely.

The arms race also defies the logic of an interdependent world. It is hardly credible that nations that have learnt that their destinies are linked, that national aims can no longer be wholly realized within national boundaries, that beggaring our neighbours is the surest way of beggaring ourselves, should have discovered no better alternative to assuring their security than an escalating balance of terror. And it is even less credible that, in a world of finite resources, in so many parts of which basic human needs remain unsatisfied, nearly \$400 billion in resources should have to be spent year by year for purposes of security.

Security, even absolute security, is not an end in itself. It is only the setting that permits us to pursue our real ends: economic well-being, cultural attainment, the fulfilment of the human personality. But those ends are all incompatible with a world of neighbours armed to the teeth.

On all these counts, we are right in having chosen this moment in time to pause and survey the disarmament scene. What we face is a general tendency to add to arsenals as the only way of correcting perceived imbalances in security. That way lies the logic of the arms-spiral. We must recognize it for what it is: a search for security, however elusive. And we must deal with it on its own terms. To attempt to divorce disarmament from security is to be felt only with the bare bones of rhetoric.

How to achieve security through disarmament is the theme of the great debate that has been waged through much of the present century. We are taking up that debate again at this special session. The terms of the debate have been drastically altered in the last 25 years by two developments. One was the advent of nuclear weapons, which has forced us to assimilate the concept of unusable power. The other was the transformation of the political map, which has brought a whole host of new international actors into the disarmament debate. Perhaps it is useful, nonetheless, to review the principal strands of the historic debate to see what relevance they may have for our efforts at this special session.

The broad spectrum of proposals to achieve greater world stability and the reduction of tensions ranges all the way from what is sometimes called the "declaratory approach" to the notion of general and complete disarmament.

The "declaratory approach" encompasses the whole complex of non-aggression pacts, treaties of guarantee, security assurances and bans on the use of certain weapons. The

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security
through
disarmament

classic example of this type of approach was the Briand-Kellogg Pact of 1928. The parties to it, which included all the major powers of the time, renounced war as an instrument of national policy and pledged themselves to settle disputes by peaceful means only. The Pact was regarded as the portent of a new era. The more devastating judgment of historians is that it clouded the vision of the statesmen of the 1930s.

The declaratory approach is not dead. It is implicit in the idea of a commitment to non-first-use of nuclear weapons. That idea is being seriously advanced by some and seriously entertained by others. It is difficult to dismiss because it would give expression and authority to a widely-shared perception of international morality.

It may have a part to play as an assurance to countries that have renounced nuclear weapons. But it is important not to mistake the shadow for the substance. Declarations of good intent are no substitute for real disarmament. They need be violated only once. At that point they become scraps of paper. They have no impact on capabilities or on the resources those capabilities consume. Indeed, their effect may be negative, by diverting attention from the requirement of real disarmament, which is to reduce armed forces and armaments.

If the declaratory approach places an unreasonable reliance on the value of good intentions, the notion of general and complete disarmament has proved to be equally unrealistic in its expectations. The term was coined at the World Disarmament Conference of 1932. But the notion was at the heart of the Covenant of the League of Nations. The Covenant spoke of the "reduction of national armaments to the lowest point consistent with national safety".

The perspective shifted with the coming into being of the United Nations. With the experience of the Second World War still fresh in mind, the emphasis of the Charter was on collective security. With the development of nuclear weapons and the failure of the ideas embodied in the Charter, general and complete disarmament again emerged as the dominant theme in the disarmament debate. It has since been reaffirmed in countless resolutions as the basic principle and ultimate goal of the world community.

It is important to remember how wide a range of vision was embraced by the concept of general and complete disarmament in the early 1960s. What was envisaged was not only the disbanding of armed forces, the dismantling of military establishments, the cessation of weapons-production and the elimination of weapons-stockpiles. The counterpart to global demilitarization was a global security system involving reliable procedures for the peaceful settlement of disputes and effective arrangements for the maintenance of peace in accordance with the principles of the Charter.

The vision is not to be faulted. General and complete disarmament remains the ultimate goal of our efforts to advance the reality of disarmament. In practice, it raised serious questions in the minds of the negotiators: What should be the military balance at each stage of the process? What kind of inspection system could be relied upon to give assurance that engagements were being carried out? How would an

international disarmament organization be composed and with what powers would it be invested? What would be the shape of arrangements for keeping the peace in a disarmed world? In sum, what would be the impact of this ambitious concept on the security — not to speak of the sovereignty — of the parties at the end of the day?

In the fulness of time we have to find answers to these questions. But the fact remains that the answers have so far eluded us. It was natural, therefore, that we should have lowered our sights to the more practical aim of making progress towards a disarmed world by building it brick by brick.

This is the course we have pursued over the past decade or so. Over that period, we have managed to negotiate a number of instruments of arms control on which we can look back as useful milestones in the construction of an international security system. As a result, the deployment of nuclear weapons on the seabed and in outer space has been precluded; biological weapons have been prohibited; environmental warfare has been outlawed in large measure; agreements have been reached to ban nuclear tests in all environments except underground, and to halt the proliferation of nuclear weapons to countries not yet possessing them. These are not negligible measures, even though all militarily-significant states have not yet adhered to them.

The measures we have taken are sometimes described as peripheral. I believe that to call them peripheral is seriously to underrate them. They are a great advance over declarations of intention because they deal with capabilities and they are, therefore, verifiable, which intentions are not. They have an effect on the arms race by closing off certain options. It is true that the measures taken so far have foreclosed options that were, in large part, hypothetical. But they do set the stage for an attack on the heart of the arms race — which is how to foreclose options that are real and, in the absence of restraint, inescapable.

Nuclear-arms race

Against this background, let me turn to the nuclear-arms race. The preservation of peace and security between the nuclear powers and their allies today rests primarily on the mutual balance of deterrence between the two major nuclear powers. Simply put, that balance means that any act of nuclear war by either would be incalculable folly. Nevertheless, the apparent success so far of this system in preventing a global war should not close our minds to the problems it raises.

What particularly concerns me is the technological impulse that continues to lie behind the development of strategic nuclear weaponry. It is, after all, in the laboratories that the nuclear-arms race begins.

The new technologies can require a decade or more to take a weapons system from research and development to production and eventual deployment. What this means is that national policies are pre-empted for long periods ahead. It also complicates the task of the foreign-policy-maker because of the difficulty of inferring current intentions from military postures that may be the result of decisions taken a decade earlier. Thus, however much governments declare that they intend to pursue a policy of peace, their declarations cannot help but be called into question: for they have

allowed the blind and unchecked momentum of the arms race to create and to put at their disposal military capabilities of an order of magnitude that other governments cannot prudently ignore.

In such a situation, there is a risk that foreign policy can become the servant of defence policy, which is not the natural order of policy-making.

There is also a high risk that new weapons systems will revive concerns about a disarming first-strike capability; or that they will tend to blur the difference between nuclear and conventional warfare; or that they will increase problems of verification.

All this suggests that stable deterrence remains an inadequate concept. And an inadequate concept is a poor substitute for genuine world security.

These dangers have been perceived by both major nuclear powers. I believe that both are serious in wanting to arrest the momentum of the nuclear-arms race. They have been engaged in a dialogue on strategic arms limitations for several years. The dialogue has produced some useful quantitative limits and others are under negotiation. But the process is painstaking and, as I have watched it, with a full appreciation of its importance to the security interests of my own country, I have wondered whether there may not be additional concepts that could usefully be applied to it.

The negotiations under way between the major nuclear powers have shown that it is possible to confirm or codify an existing balance of forces. But they have also shown how difficult it is to go beyond that and to cut back on weapons systems once they have been developed and deployed. That is not only because they are there and vested interests have been created in their deployment. It is also because it has proved immensely complex to achieve the magic formula of equal security by placing limits on what are often quite disparate weapons systems.

The conclusion I have reached is that the best way of arresting the dynamic of the nuclear-arms race may be by a strategy of suffocation, by depriving the arms race of the oxygen on which it feeds. This could be done by a combination of four measures. Individually, each of these measures has been part of the arms-control dialogue for many years. It is in their combination that I see them as representing a more coherent, a more efficient and a more promising approach to curbing the nuclear-arms race. The measures I have in mind are:

First, a comprehensive test ban to impede the further development of nuclear-explosive devices. Such a ban is currently under negotiation. It has long been Canada's highest priority. I am pleased that the efforts of Canada's representatives and those of other countries stand a good chance of success during 1978. The computer can simulate testing conditions up to a point. But there is no doubt in my mind that a total test ban will represent a real qualitative constraint on weapons-development.

Second, an agreement to stop the flight-testing of all new strategic delivery vehicles. This would complement the ban on the testing of warheads. I am satisfied that, in the present state of the art, such an agreement can be monitored, as it must be, by national technical means.

Third, an agreement to prohibit all production of fissionable material for weapons purposes. The effect of this would be to set a finite limit on the availability of nuclear-weapons material. Such an agreement would have to be backed up by an effective system of full-scope safeguards. It would have the great advantage of placing nuclear-weapon states on a much more comparable basis with non-nuclear-weapon states than they have been thus far under the dispensations of the Non-Proliferation Treaty.

Fourth, an agreement to limit and then progressively to reduce military spending on new strategic-nuclear-weapon systems. This will require the development of the necessary openness in reporting, comparing and verifying such expenditures.

It is arguable that the credibility of such an agreement could be strengthened by placing the sums released from national accounts on international deposit, at least for an interim period, possibly in the form of special loans to international development institutions. Such an idea would be in line with conventional thinking about what should be done with at least some of the savings from disarmament. But I do not think it makes good sense to penalize countries that act responsibly by cutting back on armaments.

I am much more attracted by the logic of the ideas advanced earlier this year by the President of France. I believe that, if penalties are to be exacted, they should be exacted from those who, by excessive military spending and in other ways, contribute to the insecurity of others. I hope that further thought can be given to these ideas before this special session draws to a close.

A strategy of suffocation seems to me to have a number of advantages. It is not merely declaratory because it will have a real and progressive impact on the development of new strategic-weapons systems. It will have that impact in three ways: by freezing the available amount of fissionable material; by preventing any technology that may be developed in the laboratory from being tested; and by reducing the moneys devoted to military expenditure. It is also a realistic strategy because it assumes that, for some time to come at least, total nuclear disarmament is probably unattainable in practice. It avoids some of the problems encountered in the negotiations currently under way in that it does not involve complex calculations of balance but leaves the nuclear-weapon states some flexibility in adjusting their force levels using existing weapons technology. It has at least the potential of reducing the risks of conflict that are inherent in the technological momentum of strategic competition.

The ultimate intent of a strategy of suffocation is to halt the arms race in the laboratory. But an offer to halt the arms race at any stage is a step in the direction of genuine disarmament. The President of the United States has shown the way in recent weeks with his farsighted postponement of a decision to produce a special battlefield nuclear weapon. We must all hope that the response of the Soviet Union will be such as to make it possible to extend that postponement indefinitely.

Non-proliferation

So much for the vertical dimension of the nuclear problem. Let me now say a word about the horizontal spread of nuclear capabilities.

There are those who have a fatalistic view of the proliferation of nuclear weapons. They argue that nuclear proliferation is ultimately unavoidable and that there is little sense in putting undue constraints on the international flow of nuclear-energy resources in the hope of being able to stem the process.

I do not share that view. I note with satisfaction that the list of countries said to be on the verge of a nuclear-weapon capability is not very different today from what it was a decade or so ago. I believe world security would be seriously diminished by the further spread of nuclear weapons and that it is the responsible course for governments to pursue policies based on the presumption that proliferation can be stopped.

We in Canada have perhaps gone further in our support for an effective non-proliferation system than have most other countries. In part, this is the result of national experience. But in much larger part it is a reflection of public opinion in Canada, which does not believe that we should be serving the cause of a rational world order by being negligent in the requirements we place on Canadian nuclear exports.

I make no apology for Canada's precedent-setting safeguards policy, though it has been criticized by some as being too stringent. Canada is asking of others no more than what we have ourselves accepted voluntarily as a party to the Non-Proliferation Treaty. We have not manipulated our safeguards for commercial advantage nor have we hesitated to accept commercial loss where our safeguards have inhibited nuclear sales. We have shared our technology freely with developing countries and we have applied our safeguards to all on a non-discriminatory basis and without trying to distinguish between capability and intention.

Canada judged it necessary to adopt a national policy even though nuclear transfers were already within the compass of international regulation. Canadian action was based on genuine concern about our role as a nuclear-supplier. We did not think that the international safeguards system, as it stood, was likely to be equal to the problems posed by the advance of nuclear technology. Our object was to bring about a new, more effective international consensus. Canada recognizes that the international system will need time to adapt to the new energy situation. It is now accepted by all that nuclear energy will have to play an increasing part in meeting incremental world energy needs in the remainder of the century. It is equally accepted that the benefits of nuclear energy must be accessible to all countries having no alternative energy options.

It is understandable that, with the experience of another energy crisis still fresh in their minds, many countries would like to aim at a high degree of energy independence. In particular, they will expect to be protected against the interruption, without due cause, of essential supplies of nuclear fuel. Any new system will need to accommodate these aspirations.

But we shall also have to consider that we are hovering on the threshold of a plutonium economy. We shall have to make sure that the vulnerable points in the fuel

cycle are capable of being adequately safeguarded by technical means and that, where that cannot be effectively done, we can devise institutional arrangements for international management. I believe that, in the end, the best prospect for countries to assure their national energy security lies in an international system that carries the confidence of nuclear-suppliers.

There are limits to the contribution that can be made by nations acting unilaterally. I believe that Canada's efforts to date have been constructive and effective. But further achievement can be made only through multilateral agreement. We intend to play our full part in the working-out of the assurances and the constraints that will inevitably have to form part of an enhanced international system of non-proliferation.

While nuclear proliferation remains a source of concern, it has shown itself amenable to control. That is more than can yet be said about the transfer of conventional weapons.

Conventional restraint

The problems of conventional weapons is serious. This special session cannot afford to leave it unattended. Conventional weapons are the germs of a highly-contagious disease. Eighty per cent of the world's military expenditures are for conventional purposes. Some 15 per cent of those expenditures are accounted for by developing countries. Well over half the developing countries devote at least 10 per cent of their public spending to military purposes; nearly a quarter of them spend in excess of 25 per cent. It is with conventional weapons that 133 wars have been fought since 1945, involving 80 countries and killing 25 million people.

Meanwhile the transfer of conventional weapons is assuming massive proportions; in the aggregate, some \$20 billion is being expended on it each year. There can be no first and second priorities, therefore, as between the nuclear and a whole series of conventional arms races. Both are relevant to the maintenance of world security; both are absorbing resources better devoted to other purposes; both are the legitimate business of an organization whose purpose it is to harmonize the actions of nations.

The traffic in conventional arms involves producers, consumers and the transactions between them. What can we do about it?

The more closely we look at the problem, the more clearly we can see that the question of sales is not easily divorced from the question of production. The production of military equipment is attractive for countries with an appropriate industrial base and with requirements of such equipment for their own armed forces. It contributes to national security; it reduces external payments; it creates jobs. Moreover, the attraction of production for defence is enhanced by the fact that some 70 per cent of new technology today derives from the military and space sectors.

The problem is that, the more states go into the production of weapons to meet their own security needs, the more tempting it is for them to try to achieve lower unit costs and other economic benefits by extending their production-runs and selling such weapons abroad. Almost every country that produces some military equipment finds

itself, to a greater or lesser degree, caught on the horns of this dilemma. My country is no exception.

Of course, any particular country intent on making a contribution to world security could decide to abstain from producing arms. But what significance would such a gesture actually have? So long as arms are being bought, arms will be produced. There is no particular moral merit in a country that is buying arms not producing them. And if the main reason for not producing them is not to be involved in selling them, it will have no practical impact on the arms race because other suppliers will readily fill the gap.

One way out of this dilemma would be for suppliers, acting in concert, to practise restraint. That is easier where the incentive for arms sales is mainly commercial. It is more difficult where considerations of foreign policy are involved. Canada is not an important exporter of military equipment. We could accept any consensus that might be arrived at among suppliers to cut back on military exports. We recognize that our position differs from that of others.

The major powers, in particular, sometimes see arms sales as a means of maintaining a balance of confidence in situations where political solutions continue to elude the parties. But the major powers must also recognize that a balance of confidence can be achieved in such situations at lower levels of cost and risk. I welcome the recent decision of the United States and the Soviet Union to look for a basis of mutual restraint in their sales of conventional weapons.

Restraint by suppliers will help. But it is an incomplete answer to the arms-traffic problem. It may also cause resentment among potential arms-purchasers. For better or for worse, much of the arms traffic takes place between industrialized and developing countries. The purchasing countries seek, as is their right, to ensure their own security. In many cases, they seek no more than to maintain law and order on their national soil. To curb their right to acquire arms by purchase — even to place qualitative restraints on such purchases — would revive much of the acrimony of the North-South dialectic. It would be regarded, rightly or wrongly, as another instance where the rich are trying to substitute their judgment for that of the poor. Moreover, attempts to curb the transfer of conventional weapons would do nothing to change the incentive for acquiring them.

It is at the level of incentives that we are likely to manage best to come to grips with the problem of conventional weapons. The incentive to acquire arms is rooted in apprehensions of insecurity. The best way to allay such apprehensions is through collective regional arrangements. The countries of Latin America have set the world a useful example in turning their continent into a nuclear-weapon-free zone and in persuading outside powers to respect that status. Similar arrangements are conceivable, in Latin America as elsewhere, to deal with the acquisition of conventional arms. It would be for regional decision-makers to devise incentives for restraint and sanctions for excess in the accumulation of conventional arsenals and in the build-up of conventional forces. That, in the long run, seems to me the best prospect of curbing the conventional-arms race without damage to the relations between nations.

Peace-keeping and security

While we are exploring these and other ways of making progress on disarmament, we must also strengthen our joint capacity to maintain international peace and security. Substantive progress on disarmament is at best a matter of years, if not of decades. Meanwhile the security of nations is bound to remain precarious. In a world of a 150 or more states, many of which have claims upon their neighbours, and where resource shortages and population movements raise questions of life and death for millions of people, violence within and between states is a regrettable fact of life.

The United Nations was created to restrain and, if possible, to prevent war. Its record is a mixed one. But, whatever we may think of its capacities, we must work as best we can to improve and to strengthen them. Recent events have demonstrated once again both the uncertainties of peacekeeping operations and the continuing need to make these operations a success. It must be our objective to create the conditions that will permit all members to respond quickly, impartially and effectively to threats to peace whenever they are called upon by the United Nations to do so. I make this plea on behalf of a country that has made peace-keeping a special plank in its defence policy and has participated in every major peacekeeping operation of the United Nations.

I want to add a brief postscript on the matter of institutions, which is also before our special session. It is easy enough to change institutions. It is important to recognize, however, that new institutions do not necessarily make intractable issues less intractable.

I believe that it is right for the United Nations to deal with disarmament at two levels. Disarmament is a common concern of the world community, and there must be a deliberative body in which the member states, in their totality, can periodically bring their views to bear on the disarmament process as we are doing here. Actual negotiations, however, must continue to be pursued in a body of more manageable size, operating on a basis of consensus. Canada considers it of major importance that France has decided to rejoin the disarmament dialogue. It is a promising omen for the success of our deliberations. We also hope that the People's Republic of China will see its best interests served by joining its efforts to those of others in advancing the cause of disarmament.

Proposals have also been made to strengthen the capacity of the United Nations for research on disarmament matters and to make the results of such research more widely available. We welcome proposals of this kind. In this as in other matters of public policy, governments can only benefit from more informed discussion. Disarmament is the business of everyone, but only a few are able to follow the issues. The consequence is that special interests dominate the debate and distort the conclusions. We must make sure that they do not carry the day. Dispassionate research and analysis, presented in terms that people can understand, would do much to right the balance.

As long ago as 1929, that most eloquent of advocates of disarmament, Salvador de Madariaga, spoke of disarmament as being "really the problem of the organization of the world community". In the larger sense of the word, history has proved him right.

The arms race we are here to stop is a symptom of the insecurity of nations. But it is more than that — it is a latent source of world catastrophe.

That is why this special session has been called together. It is the first major assize on disarmament to have been held since the end of the Second World War. We must not allow the opportunity to pass without putting our imprint on the course of events. We cannot expect to settle all the issues in our deliberations. We shall certainly not settle them by producing paper.

What we must try to achieve is a reasonable consensus on broad objectives and on a plan of action for the next few years. If we can do that, if we can hold out hope that the arms race can be reversed, we shall have taken a significant step towards the better ordering of the affairs of our planet.



Statements and Speeches

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CANADA IN THE NEWS

Speech to the Académie diplomatique internationale, Paris, on May 23, 1978, by Canada's Ambassador to France, His Excellency Gérard Pelletier.

I did not give my talk the title "Canada in the News" just for the sake of boasting. There are those who might at once object that Canada is not really the subject of conversation so very often, and that we hardly make headlines every day, every week — or even every month — in the international press. Even so, it is true that more attention has been paid to Canada for almost two years now, and there is a very specific reason for this — our national unity is being threatened. Until recently, no one outside the country and very few inside it doubted the stability of the Canadian Confederation, but that was before a nationalist party came into power in Quebec, the Canadian province that is predominantly French. This party itself does not speak for the majority of Quebecers since, because of the way our institutions work, though the party obtained a clear majority of the seats in the provincial legislature and formed the government, it did so with only 41 per cent of the popular vote. Moreover, this party did not get itself elected on a secessionist platform. On the contrary, the question of independence was put aside at the beginning of the election campaign that brought the party to power, to be reconsidered at a later date by means of an eventual referendum, which is supposed to resolve the issue some time next year. The Quebec government, therefore, has no mandate to lead the province out of Canada, though its expressed objective, which has always been included in the Parti Québécois program, is to make the province into an independent state. At best it would accept political sovereignty coupled with economic union with the rest of the country. The threat therefore exists — real enough, if not immediate — and it is because of this threat that there is now more talk about Canada, especially in Europe. It is no surprise, for instance, that the French press follows events in Canada with very special attention, in view of the part that the epicentre of the crisis is in Quebec — the largest French-speaking community outside France.

It is not customary for an ambassador to explain the domestic problems of his country to foreigners. However, I have two reasons for choosing to do so. In the first place, the Canadian Government refuses to bury its head in the sand or to evade the questions asked by its friends in other countries. Secondly, it is clear that the internal debate taking place in my country has some significance — indeed, even definite implications — for Europe. And so I should like, first of all, to summarize the Canadian situation and then to weigh the consequences of the outcome of this crisis for our European friends.

The Canadian situation — how can one summarize, without being guilty of caricature, a complex political situation resulting from a long chain of historical developments? The present crisis goes back to the very origins of Canada, which should perhaps be briefly considered here. First of all, we must recall that for a century and a half, from

the beginning of the seventeenth century until the middle of the eighteenth century, the French settled along the Atlantic coast and the banks of the St. Lawrence River. At the time of the military conquest by Britain in 1760, New France was inhabited by a people that was developing rapidly, by a community that, though still small (60,000), had already achieved a remarkable level of organization. This society shared a vast territory in the eastern part of what is today Canada with the native Amerindian population, which was sparsely settled on the land. Thus it was from a French colony that modern Canada grew, and the French-speaking population was to remain the majority group until the mid-nineteenth century, when immigrants arriving directly from the British Isles or driven north by the American Revolution tipped the demographic balance in favour of the English-speaking group. This numerical superiority was to increase steadily right up to the present time because immigration from French-speaking countries dried up almost completely, and also because, in the last century, most non-British immigrants adopted the language of the new English-speaking majority. These immigrants now make up one-third of the Canadian population.

Military conquests, as we all know, cause more problems than they solve. From 1760 to 1867, the history of Canada was to be marked by almost continuous political disagreement between the two founding peoples of the country, the French Canadians and the English Canadians. Fortunately, despite a short armed rebellion in 1837, this confrontation did not hinder the country's development. But, by the end of the nineteenth century, it had become clear that Canada was caught in an impasse. Growth would soon come to a halt unless the scattered colonies of which it was formed were grouped together into a coherent whole and unless a new political structure was set up to ensure its unity.

And so the Canadian Confederation was born. It originally consisted of four provinces — today there are ten. Bringing them together was to prove difficult, even though the plans were executed under the authority of the mother country, Britain, which was at that time all-powerful. Some of the English provinces — Prince Edward Island in the east, for example — at first refused to join the others. In French-speaking Quebec strong opposition was expressed at the time, but only by a minority. Whereas most of the English provinces saw this undertaking chiefly as an opportunity to turn the young, scattered colonies into a large and prosperous country, the French were attracted mainly by the federal formula that gave them at last a provincial government of their own and at the same time assured them of very considerable participation in the government of the country as a whole due to their numerical strength. However, the decisive argument in favour of Confederation may well have been something quite different. The French and English Canadians both felt the urgent need to create a political entity that would be large enough and strong enough to resist the pull of the United States. The young giant was already manifesting its power, which before long surpassed that of all other countries. On two occasions Canada had been invaded by the Americans; peace had been made and friendly relations had been restored, but Canadians did not forget. They were witness to the extraordinary vitality of their great neighbour and they knew that their weakness would eventually lead to annexation — unless a new system brought a similar energy

and strength to their own country and to some degree reduced the demographic and territorial disproportion.

This, then, briefly sums up the conditions and developments that in 1867 led our two cultural communities and our four political entities to form the present Canadian Confederation. There is much to be said for this new political structure. In the first place, it provided the impetus that, in only one century, has led our country to become the sixth-greatest industrial power in the West. It has allowed Canada to extend its territory westward to the Pacific, eastward to Newfoundland, and north to the Magnetic Pole. The federal structure has enabled Canada to achieve independence by peaceful means and to become a land of freedom in which human rights are respected and equality of opportunity constantly promoted. It has also made us a prosperous nation. Though statistics are not everything, it might be noted that between 1967 and 1976 Canada experienced a growth-rate surpassed only by that of Japan, the gross national product rose by 53 per cent (compared to a 26 per cent increase in the United States) and real disposable income jumped by 74 per cent. Canadians in all provinces therefore enjoy a standard of living that is among the highest in the world.

However, federalism has clearly not resolved all our problems. Those that concern us today are certainly not new ones — they are the legacy of difficulties that already existed a century ago, at the time of the creation of our Confederation.

I shall begin with the gravest of our current problems: the presence in Quebec of a government that plans to put a new independent country on the map of the world in the near future. This danger is doubtless the most serious ever to be faced by the Canadian Confederation, in that it threatens the very existence of Canada as we know it today. No matter what plans for economic association the present government of Quebec proposes, the success of Quebec's efforts to attain sovereignty would certainly have significant economic and political consequences and radically change the balance of power in North America. How does one explain the emergence of such a proposal in this the second-largest of the provinces, after sharing for a century in the common life of the Confederation? Once again I shall have to restrict myself to a short outline of the reasons. Surely the main cause, which is at the root of all others, is to be found in the economic and language situation of the French-speaking Canadians, a situation that already existed in 1867. Cut off from its cultural origins, the French population of Canada turned inward after the British conquest — a readily-understandable defensive reflex. However, such a defensive position — made necessary by circumstance and the attitudes of the conqueror — did not favour the type of development necessary to any society. The French Canadians — restricted to agriculture and cut off, more or less intentionally, from the world of business, trade and industry — were poorly prepared for the industrial revolution when it suddenly invaded their existence towards the end of the last century. In addition to this startling change, there was also the fact of becoming a minority language group, as I mentioned earlier. In theory, after 1867 federalism should have enabled them to meet this double challenge. In reality, though Quebecers had the necessary political means, almost a century passed before they provided themselves with the kind of educational system and other instruments required for their economic and cultural advancement.

As for the French-speaking communities scattered across the country in provinces with an English majority, they fell victim to what must be called the stubborn intolerance of local authorities. We, the French-speaking people of Canada, had dreamt of a country the whole of which would be accessible to us, where we could speak French and develop culturally as English-speakers were able to do in Quebec. This dream never came true. For the most part, our English-speaking countrymen considered Canada an English-speaking, British nation in which *Francophones* were entitled to certain rights in Quebec but not throughout the country. The Federal Government itself became a private English-speaking preserve into which French-speakers had hardly the right to venture and in which French was barely tolerated. The marked economic inferiority of the French Canadians combined with the language problem to produce an explosive situation, but our governments did not realize how dangerous it was until very late. For example, a study carried out by the Federal Government in 1960 was to reveal that, right across the country, regardless of the prosperity or poverty of the region in question, French-speaking Canadians were always less well-paid than their English counterparts. By the time this situation became officially known, reform had already begun. Quebec had awakened and elected a strong and perspicacious government at the provincial level; it had trained, in increasing numbers, the administrators, scientists and technicians that until then had been lacking; it had strengthened its voice in the Federal Government. English Canada, in turn, began to see the injustice of the situation and changes were brought about. *Francophones* gradually took their place in the federal public service and in economic and political life. They had realized what benefits could be obtained from federal institutions and how to make use of the very considerable autonomy enjoyed by the Canadian provinces. Remarkable progress has been made in the last 25 years, but it comes too late to spare us a secessionist threat. The resurgence of nationalism, a postwar phenomenon, was felt in Canada just as it was throughout the world. Though most French Canadians continue to feel that their collective future lies within Canada, a significant number of others feel that it can only be based on a sovereign Quebec. It must be realized that French Canadians, almost without exception, value their culture as they do their soul. All of us are, and always have been, what you might call cultural nationalists. What is new is that our Quebec separatists embrace integral nationalism, which means that they believe it necessary for every nation — large or small — to form a separate and independent country. To appreciate the danger one must also realize that the nationalist drive in Quebec is combined with the decentralizing forces constantly at work within a federation. Like all other countries, Canada suffers from serious regional disparities. Average *per capita* income in the richest regions may be as much as double that in the poorest provinces. In addition, cultural differences, though less extreme than between Quebec and the rest of the country, are nevertheless very marked even within English-speaking Canada. In time of crisis, regional particularism always tends to be accentuated. Discontent is contagious, with the result that the claims of Quebec have now been joined by regional demands from the Canadian West, based on the rapid development of its energy resources, and by protests from the Atlantic Provinces, which, for their part, have no such assets to get them out of the economic stagnation in which they are caught and to which they refuse to resign themselves. If we add to all this the effects of the international crisis, which are strongly felt in Canada, and the unemployment-

inflation dilemma we, as well as everyone else, have to face, the outlook for the future is not very reassuring. Hopeless? No. If we were to equate partial failure with bankruptcy, what country in the world could claim to be sure of its future?

There is profound concern in Canada, but it is neither fatal nor paralyzing. On the contrary, our political scene has never been more lively, or so active in the search for solutions. The majority of Canadians, including the majority of *Francophones* (if we are to believe the surveys, which are unanimous in this respect) still have faith in their country. They are persuaded that an updated Confederation remains the system for Canada's future. Except for the party advocating Quebec sovereignty, all the Canadian and Quebec political parties are talking of a rejuvenated and renewed federalism as the effective solution. A collective reawakening is being experienced, and we are understanding more and more clearly what changes are necessary. It remains to be seen whether these changes can be made in time, but everything seems to indicate that they can. Federalism is a very flexible political instrument. It has already weathered several crises in Canada and it is reasonable to believe that it can weather the present one.

I hope you will not find me presumptuous in saying that the outcome of our present difficulties should be of concern both to Europe and to France, and that it may have important consequences for the future of the Western world. From a European point of view — but, rather than making statements, let me ask a few questions. For example, what immediate effect could the destabilization or break-up of present-day Canada have on Europe? For this is the possibility with which we are confronted. It would be vain to hope that a vague monetary union, or even an economic community, would suffice to bind the Canada provinces together in a coherent whole. Even with its present size, Canada only just succeeds in maintaining its own identity and its independent existence beside the United States. All serious observers agree in predicting that a scattering of isolated provinces would have little chance of doing as well. If Quebec, which represents more than one-quarter of the Canadian population, leaves the Confederation, thus opening up a huge breach in the centre of the territory, it is more than doubtful whether the rest of Canada could survive as a coherent political entity. In the longer term, it is more likely that each piece of a divided Canada, including Quebec, would naturally gravitate towards the huge mass constituted by the United States. Furthermore, this "longer term" might not be so very long. In North America changes occur much more rapidly than in Europe, and there is not the same balance of powers that is found in Europe. The benevolent but massive presence of the United States is an overwhelming reality that could have the effect of precipitating events that could efface in a few decades all traces of what today constitutes Canada as a distinct political entity. This does not mean that the United States would launch a campaign for the conquest or annexation of Canada; its mass alone would act as a magnet to attract the scattered and isolated provinces. Would this new situation be in the interest of Europe, and France in particular? Would they somehow benefit from such an expansion of American power, so that it extended from the Mexican border to the North Pole? I think that all of us would spontaneously answer no. No one in today's world would care to see the strength of a super-power increased. Is not one of the objects of the efforts to unite Europe the

narrowing of the gap between the great powers and the super-powers in order to promote effective dialogue, which is often unbalanced owing to the extreme differences in the sizes of the countries?

If this is self-evident, as I believe it is, let us then leave these hypotheses and move on to consider Canada's role in the international community since the beginning of the century. As a middle power (the largest of the small or the smallest of the large, depending on how you view it), Canada's participation in the wars of 1914 and 1939 and, to an even greater extent, in the postwar restoration of Europe, has adequately proved that our country's actions can be both unique and indispensable. Owing to our geographical location and political situation, we are inevitably attracted towards Europe. Canada seeks alliances on the other side of the Atlantic, certainly not out of indifference, and even less out of aggressiveness towards the United States — which is at once our most important supplier and our largest customer —, but because Canada cannot be a single-alliance country. Nearly two centuries ago Canada chose between continental integration and independent existence. It clearly decided in favour of the second alternative and hence chose to be faithful to the European sources of its founding cultures. However, this choice must be constantly reaffirmed. Canada does this every day and, to this end, seeks and will always seek to balance the influences that act upon it, for this balance is the keystone of the policies it has established for itself. For the same reasons that it refuses continental integration, Canada is pleased to see the consolidation of Europe and is led to establish ties with the European Economic Community. Of course, we maintain cordial and intimate relations with the United States, but this also requires us to seek dialogue with our other allies, without whom there would always be an imbalance in our bilateral relations. Over the past few years, I believe that Canada has proved itself capable of establishing an original and distinctive foreign policy, not through ostentation or bravado but because such a policy was appropriate to the country's self-image and, naturally, to its interests.

Canada is becoming increasingly aware of what Europe has to offer, but we sometimes wonder if Europeans are equally aware of the possibilities that a strong and independent Canada offers them. I am, of course, referring to Canada's vast natural wealth, to its industries and to its fishing and agricultural resources, but also to its desire to maintain multiple alliances, to its privileged relations with France and Britain, to its dual membership in the Commonwealth and the *francophone* world, and its desire to extend its influence. Europe would be contributing to its own decline if it let itself be supplanted in Africa, if it considered Latin America as a private preserve, or left all initiatives in Asia up to others. And, in these three fields of action, Europe can consider Canada as an ideal ally, as an already-established partner whose long-term interests and objectives converge with its own. If the Canadian presence were to disappear from these three regions of the world, who would come in to replace it? It is not difficult to predict that this new presence might block European action, whereas our own offers possibilities of fruitful co-operation.

Does France see the matter in the same light? The dream of an independent *francophone* republic in the northeast part of the American continent is perhaps appealing to some. But surely this is, in fact, just that — only a dream, an illusion.

And we might wonder whether this republic, even if it were created, would actually increase France's cultural contributions and exchanges, considering the privileged relations already existing with Quebec under the France-Canada agreement concluded in 1965. Furthermore, it goes without saying that a sovereign Quebec would bring about not a broadening but a narrowing of the field of *francophone* action in North America. The cultural life of the one million French Canadians living outside Quebec would become more endangered than ever since they would not have the benefit of the considerable influence now exerted by our French province within federal institutions. Assuming, still, that an independent Quebec proved to be viable and lasting, its influence outside its own territory would nevertheless be weaker than at present. In contrast, the federal formula, if brought up to date by means of the necessary modifications and faithfully followed by all members, could enable French Canadians to count on the support of the whole of Canada in affirming the "French fact" in North America.

Economically speaking, it is doubtful that the separation of Quebec would be advantageous to France. If Canada, which is four times as large as a hypothetical independent Quebec, has a hard time resisting pressure from its huge neighbour, a small French-speaking republic would be very hard-pressed to prevent its economy from becoming a tiny extension or satellite of the American economy. Were such a change to take place, would it further the mining and commercial interests of France, which is now investing large amounts of capital in the whole of Canada (often operating out of Quebec, which is a natural port of entry, in view of the common language)? Would it be in the best interests of the large French companies that, using Canada as a base, have already succeeded in gaining important footholds in the American market?

I have tried to outline answers to some of the questions that concern France and Europe in regard to the unity crisis that Canada is experiencing. Of course, these answers are not final. Canada, even in time of crisis, or perhaps because of it, continues to evolve rapidly. One might even predict that Canada will emerge more united than ever from the present difficulties, thanks to rejuvenated institutions that will enable all its communities — especially its French-speaking community — to confirm their roles in the federation and to face the future with greater confidence.

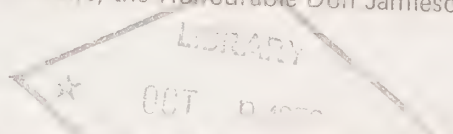


Statements and Speeches

No. 78/9

CANADA AND THE COMMONWEALTH

(This article appeared in the *Edmonton Journal* of August 3, 1978, under the signature of the Secretary of State for External Affairs, the Honourable Don Jamieson.)



As host of the Commonwealth Games, Edmonton is the focal-point for world attention and interest. I am pleased to take this opportunity to contribute some thoughts on the Commonwealth and Canada's role in it. As Secretary of State for External Affairs, I have a particular affection and respect for this unique association of friendly states from all parts of the world, who shared a common link with Britain in the past and who now meet as free and independent equals. I offer a special welcome to all participants in the Games and to the many distinguished visitors in attendance. I salute the city of Edmonton and all those who have played a part in the superb organization and planning for the Games. All of us who have worked with the Commonwealth believe in our hearts that, if some measure of its special qualities of friendship, equality and frankness — in a word, its spirit — could be carried over into international relations generally, we should have taken a long step forward towards world peace and stability. The Commonwealth Games in themselves are a unique example of that Commonwealth spirit.

What the Commonwealth means to Canada

It is no exaggeration to call the Commonwealth unique — in membership, in the informality and candour of its biennial heads-of-government meetings, and in the flexibility of its working procedures. Combining 37 independent countries of all races, creeds and levels of economic development, the Commonwealth embraces roughly one-quarter of the world's nations and about the same proportion of the world's population — and continues to grow as its associated states and dependencies achieve independence. It is, in fact, a microcosm of the world community, of significant size and importance, whose members voluntarily consult and co-operate together not only on Commonwealth problems but also as part of the cause of wider international co-operation and understanding. The Commonwealth is basically a consultative rather than a negotiating forum, and works by consensus; unlike the United Nations, there are no votes or vetoes, no ideological or geographical blocs. Membership is not automatic but has been a deliberate choice of Commonwealth states as they achieved independence. The flexibility of the Commonwealth is further exemplified by the fact that it now includes some 25 republics and kingdoms, all of which accept the Queen as the symbol of their free association. There is freedom to disagree; but, in a forum of long-standing friends and associates, disagreement can be without hostility, with tolerance and, above all, with a better understanding of the other point of view.

The most striking example of the Commonwealth in action is the biennial heads-of-government meeting, where prime ministers and presidents of member countries meet as friends and as such can talk frankly and freely to each other on global as well as Commonwealth issues. The atmosphere is informal and intimate; the results have been an astonishingly accurate reflection of major world problems and trends. The last

meeting was in London in June 1977, where heads of governments embodied their conclusions and decisions in an impressive communiqué. There was no mincing of words. The Commonwealth went on record as supporting the struggle in Zimbabwe and Namibia, condemning racist minority regimes in southern Africa, and South Africa for its aid to them; questions of sanctions as well as additional aid in the area were examined; heads of government recorded their concern and sympathy with the aspirations of the developing countries for an improved international economic order and agreed on measures to forward this objective; they reaffirmed their commitment to fundamental human rights for all mankind and agreed on the now famous Glen-eagles Agreement against *apartheid* in sport. At the same time, they reviewed other major international issues such as the situation in the Middle East, Cyprus, Belize, the Indian Ocean area, law-of-the-sea matters and the increasingly-important role of regional arrangements in world affairs. The communiqué itself is an important document in international affairs. Even more important is the fact that these world leaders, representing such a cross-section of the world and its nations, could agree on such a wide range of issues and action, returning to their countries and regions fortified in the knowledge that each would work towards these goals with the support of his Commonwealth colleagues and in the knowledge that these goals are entirely consistent with national, regional and universal commitments and objectives.

Commonwealth membership grew rapidly in the 1960s from the small so-called "old Commonwealth" group to a larger "new Commonwealth" embracing the newly-independent Commonwealth states in Africa, Asia and the Caribbean, which, almost without exception, chose to remain in the Commonwealth. This was also the period of the forced withdrawal of South Africa over its unacceptable race policies. The heads-of-government meetings are, of course, still the main focus of Commonwealth activities but, with the growth in membership, heads of government recognized the need for more permanent staff arrangements, not only to support major conferences and continuing intergovernmental consultations but also to implement specific programs of functional co-operation and other agreed measures. As a result, the Commonwealth Secretariat was established in London in 1965, first under the leadership of the well-known Canadian diplomat Arnold Smith, and it is currently headed by our distinguished Secretary-General, Mr Shridath Ramphal, previously Foreign Minister of Guyana and a staunch believer in the potential of the Commonwealth.

The Secretariat is equipped to facilitate continuing political and economic consultations, and to implement a wide range of programs of functional co-operation — most notably, development aid, economic studies of mutual interest, science, health and welfare, education and youth. Commonwealth co-operation in development aid is long-established and is internationally regarded as a highly-successful program, providing development assistance over a wide range of projects for which assistance from the larger international development-assistance organizations may not be available. Being a relatively small group of countries, the Commonwealth can often supply the necessary experts and supporting finances required at a lower cost, and quicker, than other sources. In this process, of course, the availability of a common working language, common administrative, educational and legal traditions are enormously helpful.

As a result of these activities, the Commonwealth has become increasingly respected as a constructive and dynamic international organization, supporting the ideals, principles and programs of the United Nations, to which it is accredited officially as an observer and with which it maintains continuous contact both at the United Nations headquarters itself and the various Specialized Agencies. As Secretary-General Ramphal said recently during a Commonwealth conference on commodity-trading problems, "the Commonwealth cannot negotiate for the world, but it can help the world negotiate". This is an apt description of the Commonwealth and its current work on such vital problems as the situation in southern Africa, the world economic situation and the aspirations of the developing world, development assistance and related problems.

Canada's role

Canada remains strongly attached to the Commonwealth, not only through historical, cultural and linguistic ties but also from our conviction that its ideals and policies are consistent with our own. Through it, we retain the best of our links with Britain, and at the same time the Commonwealth represents those qualities of independence, global representation, mutual respect and co-operation that we believe are essential ingredients for the solution of international problems.

Canada and Canadian prime ministers have played a major role in supporting and developing the "new Commonwealth". Prime Minister Trudeau has taken a keen interest in maintaining the informality and breadth of Commonwealth heads-of-government discussions; he played a leading role in formulating the Gleneagles Agreement against *apartheid* in sport. Canadians work in senior positions at the Secretariat; Canadian experts have been requested and have participated in the preparation of virtually all the major Commonwealth special studies that have formed the basis of political and economic action. Canada has encouraged the establishment of co-operation between the Commonwealth and La Francophonie. Canadian private citizens, Parliamentarians, officials and government departments are active year-round in Commonwealth conferences and programs. Last but not least, Canada has shown its support by being one of the largest financial contributors to Commonwealth budgets.

Support for the Commonwealth and the positive role it can play in world problems remains a basic tenet of Canadian foreign policy. There is no area of international concern that does not touch one or another Commonwealth member, directly or indirectly. The Commonwealth is uniquely able to bridge wide diversities between governments and peoples, North and South, rich and poor. We want to preserve its unique qualities, to encourage active participation in it by its members at all levels, and to enhance its role, including that of its nongovernmental organizations, as an instrument for greater co-operation in the world community.

May I close this article by welcoming our visitors to the Commonwealth Games and wishing them a very enjoyable stay in Canada. Sports, in a special way, seem to encourage genuine, unaffected human contact and friendly competition in the pursuit of excellence. At this time Canada stands as the proud host of this exciting exhibition of athletes. We hope our visitors will remember Canada and the Commonwealth Games of 1978 in that way.

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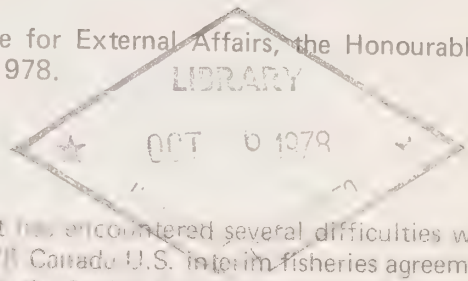


Statements and Speeches

No. 78/10

CANADA-U.S. FISHERIES RELATIONS

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, House of Commons, June 2, 1978.



In the past few weeks, the Government has encountered several difficulties with respect to the implementation of the 1978 Canada-U.S. interim fisheries agreement on both the Pacific and Atlantic Coasts. On the Pacific Coast, the problem relates to the terms under which Canadian fishermen would be allowed access to waters off Washington State to troll for salmon. On the Atlantic Coast, the problems relate to unrestricted U.S. scallop and pollock fisheries in the Gulf of Maine/George's Bank area and what we view as excessive allowable U.S. catch-levels for cod and haddock.

These difficulties were discussed at a meeting between Canada and U.S. officials in Washington on April 28 and at meetings between the Canadian and U.S. Special Negotiators for Maritime Boundaries in Ottawa on May 11 and 12 and again in Washington on May 26. At the May 26 meeting and during subsequent conversations, it has become clear that these problems cannot be resolved in a way that would protect Canadian interests. My colleagues and I have come to the reluctant conclusion that the 1978 interim reciprocal fishery agreement cannot be implemented by the U.S. in a manner compatible with preserving and protecting our fisheries interests. Accordingly, I wish to announce that the Under-Secretary of State for External Affairs has called in the U.S. Ambassador and given him a diplomatic note stating that the Government of Canada is not prepared at this time to continue provisional implementation of the agreement. The note states that, consequently, U.S. fishing vessels will not be permitted to continue fishing operations in Canadian fisheries waters after 12 noon June 4. This means, of course, that the U.S. will take corresponding action against Canadian fishing vessels in U.S. waters.

The Government has taken this action with great reluctance, but under the circumstances we believe it is the most appropriate means of maintaining a balance between the fishing interests of the two countries. I am confident that we can work out, on a co-operative basis, enforcement arrangements in the boundary regions that will avoid confrontation.

The problems we have experienced with the interim agreement demonstrate clearly the need for an early settlement of maritime boundaries and for a long-term agreement on reciprocal fishing. My colleagues and I continue to believe that a comprehensive maritime-boundaries resources agreement, arrived at by negotiation, is the preferred means of providing for the effective and mutually-beneficial management of maritime resources in Canada-U.S. boundary areas.

The Government recognizes that, in negotiating an overall agreement of this kind, difficult problems remained for both sides in reconciling the various regional and in-

dustry interests. At the same time, it has become clear that a balanced and equitable agreement cannot be constructed on the basis of continued insistence by all concerned on their maximum demands. The difficulties that have led to the Government's present decision are the best evidence of the need to replace a generalized interim agreement without institutional arrangements by a permanent, comprehensive agreement that places all the issues in an interrelated framework and includes effective mechanisms for interpreting the agreement and for the settlement of differences.

Ambassador Cadieux has been instructed to resume his negotiations and has been in touch with the U.S. Negotiator, Ambassador Cutler, and they both agree that the suspension of the interim agreement need not and should not impede their negotiations, which, as you know from the joint reports issued in October and March, have laid the basis for progress towards a comprehensive agreement. Thus, in an exchange of letters that is being released, the two Negotiators have agreed to resume their negotiations on the long-term agreement. They have scheduled for June 19 and 20 the first of a series of meetings that are intended to lead to early recommendations on a comprehensive agreement.

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Statements and Speeches

No. 78/11

THE OECD CONSIDERS A CONCERTED ANTI-INFLATION PROGRAM

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, at the OECD Ministerial Meeting, Paris, June 14, 1978.

Over the past two years, economic recovery in the area of the Organization for Economic Co-operation and Development has been uneven. The real rate of economic growth has been below that which this Ministerial Council considered feasible when it met in 1976. Unemployment has, as a result, remained at a high level. However, we must not lose sight of the real progress that has been made in other areas. The rate of inflation has been halved from the critically-high levels of 1975/76 and many member countries that, at that time, had large and unsustainable current-account deficits have managed to reduce or eliminate these imbalances. This has occurred without the widespread use of protective trade restrictions or similar measures. These gains have been hard-won and it is not, therefore, surprising that we have not achieved total success in reaching all our fairly ambitious objectives.

For the period ahead, we must take great care that, in our attempts to combat our remaining difficulties, we do not put to risk the successes we have already achieved. In formulating Canadian economic policy, we have been very much aware of this danger, and for this reason the Minister of Finance has announced measures in his latest budget that will strengthen domestic demand, lower inflationary pressures and promote structural change.

In the same spirit, the Secretary-General is proposing a program for concerted action that seeks to produce non-inflationary growth through a better utilization of labour, capital and resources. It is a concerted program not only in that it requires action by many countries but also in that it involves many areas of policy. Not only does it include the traditional "macro-economic" targets but it also embraces elements such as energy and trade — both within the OECD and with developing countries — and even extends to a common approach to the problems being created by structural distortions that are in danger of becoming imbedded in our domestic economies. This set of proposals is a constructive response to our current problems and deserves our support.

The need for faster growth in the OECD area is widely acknowledged. The continuation of slow growth would lead both to a self-perpetuating under-utilization of our resources and to the inefficient employment of those resources actually at work. The expectation of slow growth would lead to a low rate of new investment and innovation, as businesses reacted to pessimistic expectations of the future course of demand. This would inhibit the process of structural change and adaptation and make the expectation of slow growth a self-fulfilling prophecy. A low rate of real growth would not be sufficient to lower unemployment rates significantly. Continuing high unemployment will generate ever-increasing pressures on governments to take unilateral action to protect sectors that are in difficulty. This process of protecting and sustain-

ing industries that are no longer competitive will inhibit the necessary process of structural change and thus reduce the scope for improvements in productivity and corresponding gains in real income and perpetuate the slow growth of our economies. Given the strong interrelations between our economies, we cannot correct the tendency towards slow growth if we formulate our policies in isolation from each other. When one of our economies is put on a significantly more expansionary course, much of the impact of the expansionary measures can be lost through increases in the level of imports if other economies are not also expanding. The deterioration of the current-account balance of the expanding economy in such circumstances may make it impossible for it to continue its policy of economic stimulation. For this reason, the solution to our problem must lie in international co-operation so that our individual policies can be formulated in the expectation of support from the policies of our trading partners. The Secretary-General's plan for concerted action is such a solution.

I should like to point out that Canada, as one of the countries that is called upon to achieve a higher rate of growth in 1978 and 1979, intends to play its full part; we are aiming at a real rate of growth significantly above that of 1977, and have taken measures to achieve this target. At the same time, we are actively using both "macro-" and "micro-economic" measures to contain inflationary pressures. Concerted action on growth will make less room for Canada to provide even further stimulus than we have already injected than is the case for some other countries. But we do see this approach as beneficial for Canada and for the world at large, both through the direct effects of stimulation that it entails and through the confidence that it can create in the private sector about the future health of our economies. We look to other OECD members who are in a sufficiently strong position to undertake whatever expansionary measures their institutional and policy constraints allow. In this regard, avoiding reacceleration of inflation must, of course, be a key element in our program of concerted action. For the Secretary-General's plan to be successful, it is particularly important that countries with large current-account surpluses take firm measures to bring these imbalances within acceptable limits by means that will permit the growth of other countries' exports. Removal of restrictions on trade is an especially helpful way to achieve this objective, since it promotes efficiency at the same time that it fosters growth. By the same token, those countries whose current-account deficits are tied in an important way to their oil imports can use better energy policies both to help their balance of payments and improve resource-allocation. Current-account imbalances — whether surplus or deficit — that do not have a counterpart in sustainable capital flows can also have a disruptive influence on foreign-exchange markets. Continual large movements in an exchange-rate add to the uncertainty faced by business and increase the pressures for government intervention. On the other hand, exchange-rate movements are a necessary part of international adjustment to different rates of inflation, changing competitiveness, and the flows of long-term capital. And it is not in our interest to try to do more through intervention policy than dampen erratic short-term movements. This is, in fact, the policy Canada has been pursuing. However, disequilibria in underlying domestic economic conditions are reflected in exchange-rate movements, and it is these fundamental imbalances that must be removed if we are to achieve exchange-market stability.

An essential component of the program suggested by the Secretary-General is that the members assembled here reaffirm their belief in the use of policies at a "micro-economic" level that encourage positive adjustment. As I mentioned earlier, there is a tendency during a period of slow growth to accept any short-run solution that saves jobs and keeps firms solvent. Such defensive measures, however, if they protect inefficiency and high-cost operations, have serious longer-run implications for our ability to return to a higher-growth path. Canada has sought, with a reasonable degree of success, to avoid measures that inhibit structural change. In terms of manpower policy, for example, our programs are aimed at encouraging occupational and geographic mobility and maintaining income-levels for the unemployed instead of job security in a given occupation and location.

Thus we support the endorsement of the Secretary-General's proposal concerning positive adjustments on the understanding that this endorsement does not restrict our Government's freedom of action to pursue valid non-economic objectives or to make selective interventions to alleviate cases of true hardship and brutal adjustment. In this spirit, we welcome the orientations on adjustment policies put forward by the Secretary-General and agree that it would be useful for them to be made public. It is an important part of the concerted-action program, and its adoption by members would serve to ensure that a strong economic recovery will lead to real improvement in the living standards of people both within and outside the OECD area.

S/C



Statements and Speeches

No. 78/12

GROWING ECONOMIC INTERDEPENDENCE, WITH SPECIAL REFERENCE TO THE DEVELOPING COUNTRIES

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, at the OECD Ministerial Meeting, Paris, June 15, 1978.

The importance of economic interdependence is not a new theme for Canadians, and I welcome this opportunity to speak briefly on so vital and timely a topic.

As a major trading nation and a significant industrial producer well integrated into the existing economic system, we are subject to the stresses that the system has undergone in the past few years. We are not only conscious of strains within the industrialized world but also increasingly aware of the interdependence between the industrialized economies and those of developing countries. Action to deal with the world's economic problems must take account of developing countries, both their needs and their contribution to the balanced growth of an open world economy.

An open trading system is vital. We place very great importance on the success of the multilateral trade negotiations (MTN), not only as they relate to tariffs but particularly to the elaboration of codes relating to non-tariff measures. We must ensure that current economic difficulties do not lead us into regressive policies from which none will benefit. Industrial countries must move forward towards further liberalization. But in the context of greater interdependence there is a broader responsibility that is shared by developing countries for adopting policies that will contribute to an open world system for the benefit of all nations. Developing countries will stand to benefit significantly from successful MTN. We should expect them, and particularly the more advanced, to adjust their trade policies in order to stimulate domestic consumption and to contribute to the expansion of trading opportunities generally.

With the persistence of slow economic growth and high levels of unemployment, there is a risk that unilateral trade and other current-account measures could touch off a chain reaction of protectionism. We therefore believe there is a continuing need for the political commitment provided by the trade declaration. The extension of the pledge, for a further year, with the revised preamble prepared by the trade committee to take account of developments since 1974 will serve to improve and strengthen the multilateral trading system.

The energy sector holds out great challenges and possibilities in an interdependent world. Successful energy development can add substantial impetus to growth prospects for developing countries. The present international energy outlook indicates that, during the next decade and beyond, major changes in traditional patterns of energy production and consumption are necessary if demand is to be satisfied. Canada supports efforts to stimulate applied research and development of new sources of energy and to encourage exploration and development of conventional energy in

developing countries. Indeed, our development-assistance programs have already been used to support these activities. We shall play an active part in examining means of encouraging greater co-operation among governments, international institutions and the private sector.

Broader questions have been raised about increased investment in developing countries. These require careful examination in order to develop approaches that will be practical and will promote sound patterns of development consistent with absorptive capacity and the development priorities of the prospective recipients.

Increased resource flows to developing countries, whether in the form of aid or private investment, are essential if they are to implement their development plans effectively. The terms, conditions and transfer mechanisms for such flows will vary depending on the needs and level of development of the respective recipients. By providing our official development assistance on highly-concessional terms where this is appropriate and, in the case of the poorest countries, in the form of grants, we hope to ensure that the debt-servicing capability of the countries concerned is maintained.

The total flow of official development assistance is too low. We are encouraged by indications that countries with consistent balance-of-payments surpluses intend to increase their level of development assistance. The donor countries that, like Canada, are experiencing balance-of-payment deficits also have a continuing obligation to the aid effort.



Statements and Speeches

No. 78/13

CONFERENCE ON INTERNATIONAL HUMAN RIGHTS

An Address by the Secretary of State for External Affairs, the Honourable Don Jamieson, at a Lunch Co-sponsored by the Canadian Human Rights Foundation, the Canadian Council on International Law, and the Canadian Section of the International Commission of Jurists, Ottawa, October 26, 1978.

I am pleased to have the opportunity to address this conference convened jointly by three highly-respected Canadian organizations — the Canadian Human Rights Foundation, the Canadian Council on International Law and the International Commission of Jurists' Canadian Section. The choice of the conference theme, international human rights, reflects growing debate in Canada and in other Western-style democracies on how we can effectively promote respect for human rights internationally. A subsidiary discussion is focusing on the impact that massive violations of basic human rights should have on our relations with the countries in which they occur. It is on these closely-linked questions that I shall comment today.

Canada's
obligation to
be involved

Canada has moral and legal obligations to be involved in the promotion of human rights both at home and abroad. Canadians are demonstrating growing interest in perfecting the protections for human rights at home. They are also increasingly making known their hope that the Canadian Government will observe a morality that reflects Canadian standards in its dealings with other governments.

The Charter of the United Nations establishes as one of its key purposes the promotion and encouragement of respect for human rights and fundamental freedoms for all without distinction. In adhering to the Charter, Canada and all other member states have incurred obligations to support that objective. No country can contend with any justification that its performance is a purely domestic matter in which the international community has no right to intercede.

The United Nations has established high standards of human rights. The Universal Declaration of Human Rights, a resolution adopted by the UN General Assembly in 1948, established basic "parameters". In the intervening 30 years, more than 20 international covenants, conventions, protocols and other agreements have defined more specifically standards of behaviour. The ILO has also elaborated more than 100 specialized conventions. We might anticipate, then, that there would be little debate on the standards to which states should aspire and be held accountable. That is not the case.

All states have moral obligations to respect the norms of international human rights. They have legally-binding obligations, however, only in respect of covenants and conventions to which they have become signatories. Even when a state accedes to a convention, it does not necessarily mean that it accepts its obligations immediately. It may interpret the convention's provisions as constituting a long-term program

towards which participants should strive. It may also attach low priority to provisions to which we attach the highest priority.

Canada has been active over the years in supporting the development of the international norms and is now encouraging broad adherence to them. We also support the development of standards in fields not yet dealt with — for example, the elimination of religious intolerance, the elimination of torture and the promotion of the status of women.

Canada has become a party to the most important human-rights covenants and conventions. Through that process, international actions have directly affected domestic developments in the human-rights field. Consultations related to Canada signing and ratifying the important human-rights covenants, for example, had a catalytic effect on the evolution of human-rights legislation in Canada. It encouraged, as well, the establishment of statutory human-rights agencies at the federal and provincial levels. The international obligations we have assumed by ratifying the covenants ensure a continuing review of domestic performance judged against the covenants standards. That is to say, our support for human rights works in both directions. While we are promoting human rights internationally, we have the obligation to pursue our efforts domestically on the basis of our domestic objectives and our international obligations.

**Problem of
differing
international
perceptions**

When I spoke on the subject of human rights last year, I drew attention to the differences in perception of human rights as between Western democracies and the vast majority of member states of the United Nations. I noted that, while Western countries traditionally accord priority to civil and political rights, Third World countries consider that the most essential human rights are the economic rights of their citizens to the basic necessities for survival. While Western countries emphasize the rights of the individual, most other countries stress equally the rights of the citizen in his society and his concurrent responsibilities to that society.

These differing approaches have hindered the development of co-ordinated, effective action to promote and defend human rights. Western democracies have been particularly concerned by the comparatively low priority developing countries and Eastern European countries accord to civil and political human rights. Western countries have also been concerned by the reluctance of the UN majority to support measures to improve the UN's ability to deal with situations of gross abuses. The developing countries have, on the other hand, often considered Western efforts and initiatives in favour of international human rights to be callous and hypocritical. They have accused us of focusing too often on the civil- and political-rights issues the Western democratic tradition holds dear. They consider that we have been too ready to take up human-rights issues while paying insufficient attention to the economic context in which they occur.

Experience has shown that situations of severe economic hardship do impede the development of conditions and mechanisms to guarantee the enjoyment of human rights. Canada acknowledges this relation, and accepts its responsibility to promote equally the civil and political, and economic and social, rights internationally. We

accept that this implies a strong commitment to international development. However, regardless of a country's level of development, we expect each nation to move progressively towards internationally-accepted standards and refrain from intentional actions that serve to alienate human rights.

The gap between standards and achievement is great, and in some countries it is growing. But we must not expect rapid change. The goal of obtaining respect for human rights internationally will not be accomplished in a month or a year. We cannot coerce governments to behave decently towards their citizens, even assuming that we know the facts in each case. We can make clear, however, that inhuman treatment and systematic violation of human rights will have a detrimental effect on the relations of the states in question with other states, including Canada.

I believe that international efforts to prevent or alleviate violations of human rights must be oriented towards seeking change. They should promote progressive and systematic evolution to a situation where the citizens of the country in question can live in greater dignity and security.

Value of
multilateral
action

In the long run, the most effective means of promoting human rights internationally on a broad basis will lie through multilateral action under the auspices of the United Nations. Canada has been trying to expand UN mechanisms and make them more effective, in dealing with patterns of violations in given countries. We believe that UN action should be taken almost automatically, on the basis of a sound analysis of information received. This would eliminate to the greatest extent possible allegations of political motivation when the performance of a country is called into question. When, for example, the Human Rights Commission identifies a pattern of gross violations, it would dispatch a mission or a special representative to the country in question or request the good offices of a High Commissioner for Human Rights or of the United Nations Secretary-General. The object of the action would be a full investigation with a view to proposing to the government concerned measures to correct the situation. The action would serve to bring international pressure to bear on the government concerned and put international opinion behind the corrective measures proposed by the investigating body.

United Nations
performance —
dismal, but a
dimmer of
hope

Over the past decade, the UN's performance in dealing with gross abuses of human rights has been dismal. There has been a lack of common will to take action in many serious situations. Differences of perceptions of human rights that I referred to earlier have been a factor. But, more significantly, a double standard has been in operation. Action has been taken only in a few situations where the UN majority considered that the political situation as well as the human-rights situation warranted action.

Nonetheless, there have been signs in the past year that the UN majority may be coming to accept that it is important to take action in situations of gross and persistent violence to individuals and groups. This was shown by the decision of two developing countries of the Commonwealth to pilot through the General Assembly last year a very significant resolution on human rights. That resolution placed emphasis on the belief that the achievement of lasting progress on civil and

political rights was dependent upon sound and effective national and international policies of development. But it stipulated that all human rights were nonetheless indivisible and inalienable. The initiative was influenced by the Commonwealth heads-of-government action the preceding June to single out Uganda as a serious violator of human rights. The Commonwealth action was, I might add, the result of Prime Minister Trudeau's determination that the Commonwealth should not employ a double standard. While condemning the abhorrent system of *apartheid* in South Africa, it could not overlook the odious practices of the Ugandan regime.

In line with the promising trend of increasing Third World involvement, the Human Rights Commission this year took *in camera* decisions relating to situations in nine different countries. It set a significant precedent by making public the fact that some action *vis-à-vis* these nine countries was in progress. Though a small beginning, these developments are commendable. Only as such actions become less exceptional will an international climate of opinion be established permitting the systematic examination of gross violations on an apolitical basis.

When should human-rights situations involve Canada more directly?

I turn now to the question of when and in what manner the Canadian Government should intercede when human rights are being violated in other countries. The question is not easily answered. No country has an unblemished human-rights record. In almost all countries, conditions of internal insecurity or extreme stress can lead to the setting-aside of established norms. Even the normal performance in dozens of countries falls well below accepted standards. Amnesty International currently places some 60 countries on its list of nations practising torture. Freedom House has another 100 on its list of societies that, judged from the Western democratic point of view, are not free. If Canada were to take up human-rights causes in many countries simultaneously, our efforts would be so diffuse that they would be unproductive. They would also not be taken seriously. We must, then, be prudent and focus our actions where they are most needed and where they may have a useful effect.

Canadian priorities

As a priority, we must seek international action, and consider as well bilateral action, when there is reliable evidence that the grossest of human-rights violations are systematically perpetrated. We should act where there is evidence of genocide, mass murder and widespread repression, or evidence of a government's intentionally depriving a group or a region of basic resources for survival.

Apart from these extreme cases, there is also a place for Canadian action in serious human-rights situations of direct concern to Canadians, and where close links of one nature or another exist. We can in such cases, where reliable evidence exists, examine whether there is some action, apart from multilateral action, which the government can take to seek improvement in the situation. We must bear in mind that, if we seek to rectify isolated abuses or aberrations in a state's normal performance in the human-rights field, there may be prospects for progress. But if we seek to alter a firm policy or the fundamental basis of another state's society, the issue is not likely to be resolved quickly or easily. It is not desirable to generalize on the circumstances in which action should be taken or the means by which it should be taken. Each situation must

be examined on its own merits and in light of the level of direct Canadian interest.

A careful judgment must be made as to the results that can be achieved. In some instances, a bilateral expression of Canadian concern about a situation may bring about positive change; in others, it may cause a negative reaction and do nothing to help the very persons or groups about which we are concerned. At times it is useful to make public the fact that we have interceded with a government. At others, it is counter-productive. We have had some limited success, I might note, in dealing bilaterally, and in the context of the Final Act of the Conference on Security and Co-operation in Europe, with Eastern European countries on humanitarian matters relating to the reunification of families. On the other hand, our efforts on broader human-rights issues, when dealt with bilaterally or within the CSCE context, have met with minimal success. Our broader human-rights concerns in relation to Eastern Europe may be better advanced by challenging Eastern European countries on the basis of the legal obligations they have assumed as parties to the international human-rights covenants. Their performance in terms of civil and political rights is, as is ours, thereby subject to scrutiny by the Human Rights Committee established under the terms of the Covenant on Civil and Political Rights. They and we must also report regularly on our progressive realization of the economic, social and cultural rights defined in the other covenant.

Action in the United Nations cannot be divorced from action outside the United Nations. Canada's relations with some countries are limited or, indeed, nonexistent, and there are, therefore, few possibilities for quiet diplomacy. I have in mind the cases of Uganda and Democratic Kampuchea. In the first case, our action at the Commonwealth heads-of-government meeting was followed up with pressure for action in the Human Rights Commission. In the second, after an on-the-spot enquiry carried out by Canadian officials among Kampuchean refugees, we provided a detailed report to the Human Rights Commission and called for action. I then spoke out in strong terms in the United Nations and called for action both by the General Assembly and by the Human Rights Commission. We had concluded that the self-imposed isolation of the Kampuchean Government made it essential to take unusually strong steps. We felt compelled to urge the international community to pay heed to the tragic situation prevailing in that beleaguered country.

We are keeping a close watch on the situation in Kampuchea and, as a member of the UN Human Rights Commission, will continue to seek a full investigation of the situation and corrective measures. In the interim, it is interesting to note that the Kampuchean Government has invited the Secretary-General to visit Kampuchea. We hope it is a sign that it has accepted the validity of international concern about the systematic murder and repression of its citizens. We shall continue to spare no effort in multi-lateral forums and in our bilateral contacts with influential countries in the area — countries such as China — to urge them to exert their influence in the interest of improving the situation in Kampuchea and in the whole Southeast Asia area.

Canada's support to refugees and displaced persons

Canada has a special national interest in seeking action in situations as serious as that of Kampuchea. Tragic human-rights situations frequently trigger a major outflow of people from countries where the grossest violations are occurring. Massive financial and material resources are required for emergency humanitarian assistance to the destitute refugees and displaced persons from such situations. The Canadian Government, with the strong support of the Canadian public, has always played a full part in contributing to international emergency-relief operations. It has supported the subsequent efforts of the United Nations High Commissioner for Refugees to bring about resettlement of the refugees. The first preference is that refugees be returned to their countries of origin if improved conditions can be obtained or, as a second alternative, settled in the neighbouring countries of refuge if conditions permit. But if, as a last resort, homes must be found for them in third countries, only a small number of countries — and primarily Canada, the United States and Australia — are able to accommodate a refugee inflow. Since the Second World War, Canada has resettled more than 350,000 of these persecuted and displaced persons.

Should aid and trade be affected by human-rights considerations?

Canadians often complain to me that the Government is not doing enough to help individuals in countries where they have relatives or friends. They frequently call upon the Government to cut all existing ties — economic, cultural and political — with the country in question. Generally speaking, this is not desirable. To attempt to make any impression bilaterally on the attitudes of other governments we must be able to exert influence. We cannot do so by rhetoric alone. We can sometimes do so more effectively by making use of existing ties. On the other hand, we can and do take actions that reflect moral judgments.

Our development-assistance program is designed to help meet the basic human needs of the poorest people in the poorest countries. Those living in countries whose human-rights standards are low are usually helpless to change the situation or the regime that governs them. Our program is, therefore, governed by humanitarian and developmental criteria. Human-rights considerations are, nonetheless, a factor in determining levels of aid and the orientation of programs. We must also consider in each case whether a country with an extremely poor record in terms of human rights has the will or is in a position to implement aid programs in accordance with Canadian objectives. Thus, on a few occasions when the human-rights situation in a country has deteriorated to a stage where the effective implementation of the aid program is made extremely difficult, Canadian assistance has been suspended or not renewed.

I turn now to the question of trade and trade-related operations of the Government. In considering the impact human-rights considerations can have on these, it is important to recall that Canada is a trading nation. The economic welfare of our own citizens is at stake. For this reason the Canadian Government has not traditionally used unilateral economic measures as a tool to put pressure on a given country. Our policy takes into account not only the economic interests of Canadians but also the fact that in few countries is Canadian trade critical to the regime. Therefore, Canada trades in peaceful goods with all countries, except any against which the UN Security Council has imposed mandatory sanctions.

Human-rights considerations do enter into the question of Canadian arms sales. We do not export arms, either to countries where there is an immediate threat of hostilities or to regimes considered wholly repugnant to Canadian values. This is especially true where the equipment in question could be used against civilians.

Last December, the Government announced that we were phasing-out our Government-supported commercial activities, withdrawing trade commissioners from South Africa and instituting visa requirements for South Africans. We were, furthermore, in consultation with Canadian corporations, drawing up a code of conduct to govern the activities of Canadian interests operating in South Africa. It was an exceptional decision and one taken after many years of consideration. South Africa is a case unique in the present-day world. It is the single country in which racial discrimination has been institutionalized as a basis for the entire social, political and economic system. For more than 30 years, the UN has been attempting to persuade the recalcitrant Government of South Africa to accord to its citizens rights, privileges and responsibilities without distinction on the basis of race. The international community, as a whole, has come to conclude that both multilateral and unilateral measures against South Africa are indeed desirable. The intent is to increase pressure on South Africa for fundamental change in its policies. Such change is essential if further deterioration towards racial conflagration in that country, and in the whole Southern African region, is to be avoided.

Conclusion

I have described an international human-rights situation that at present is difficult and trying. I have, I hope, clearly indicated that the Canadian Government is very much concerned about this situation and is using its best efforts, both multilaterally and bilaterally, to alleviate difficult situations wherever they occur. While the international situation may appear bleak, it is not without hope. The rights of individuals throughout the world will be increasingly respected only as generations of future leaders are educated to know and respect the standards that have been established internationally. Progress of this nature is slow — but there is, nonetheless, progress. Slavery was abolished internationally little more than 100 years ago. Colonial empires have been dissolved only over the course of the past 30 years. The UN role in assisting their rapid dissolution has, I might add, been important. There is no reason to expect, therefore, that, given the political will, the major human-rights problems of this century cannot equally be dealt with, over time, by the international community. It is the task of decades — indeed of generations — and I assure you that Canada will continue to support practical and pragmatic actions to promote that end.



Statements and Speeches

No. 78/14

THIRTIETH ANNIVERSARY OF THE UNIVERSAL DECLARATION OF HUMAN RIGHTS

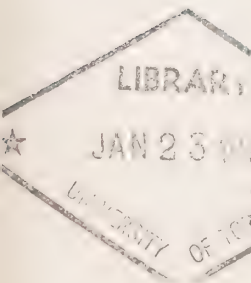
A Statement by the Deputy Prime Minister, the Honourable Allan J. MacEachen, in the House of Commons, December 8, 1978.

On December 10, 1948, the United Nations General Assembly proclaimed the Universal Declaration of Human Rights. Sunday is the thirtieth anniversary of that event. It should be used in Canada and all parts of the world as an occasion to review the progress or the lack of progress that has been made in these three decades towards guaranteeing human rights. More significantly, it must be used as an opportunity to identify what more can be done, both internationally and in Canada, to ensure that the rights and freedoms enunciated in the Universal Declaration are effectively enjoyed by all people.

The agreement 30 years ago on the principles of the Universal Declaration was a remarkable achievement by the international community, given the wide variations in political and social systems throughout the world. One of the people directly involved in that success was Dr John P. Humphrey, a Canadian. In his former role as the Director of the United Nations Human Rights Division, he oversaw the drafting of the Declaration. He is to speak on behalf of Canada at a special commemorative meeting of the United Nations General Assembly on December 11. The principles of the Declaration have been elaborated and defined in more than 20 international agreements. However, we are all painfully aware that the existence of those agreements has not created a world in which human rights are respected. In many countries there are gross violations of even the most basic human rights. Often these violations are perpetrated deliberately by governments, and on occasion by governments that have freely assumed legal obligations to respect those rights. The international community must find ways to rectify this unpalatable situation. Canadians look to the United Nations to do so.

The member states of the United Nations have not given it the power to oblige governments to respect human rights. But it is a forum where world opinion can and should be focused on those governments that persistently abuse the rights of their citizens. Canada is firmly committed to efforts to improve the performance of the United Nations in the human-rights field.

In Canada, we have made considerable progress in the past 30 years. That progress has been influenced by the international obligations we have assumed. Every province has adopted human-rights legislation and has established a provincial human-rights commission to consider complaints from individuals. The Federal Government has adopted important human-rights legislation and has established the Canadian Human Rights Commission....



In 1976, Canada became a party to the most important human-rights conventions, the International Covenants on Economic, Social and Cultural Rights, and on Civil and Political Rights and its Optional Protocol. The federal and provincial governments are aware that Canadian legislation and practice are not always totally consistent in every detail with the international obligations we undertook by adhering to the covenants. But they recognized that the covenants provide a standard against which Canadian performance can be measured to identify where improvements should be made. The Canadian adherence to the Optional Protocol has extended to individual Canadians the right to take their complaints to the United Nations Human Rights Committee when domestic legal remedies have been exhausted.

The thirtieth anniversary is being recognized across Canada by the provinces, by church groups and by non-governmental organizations. Among many other significant events, the Canadian Human Rights Foundation has conducted seminars and conferences across the country on the nature of Canadian obligations arising from our international commitments. On December 9 and 10, the Canadian Human Rights Commission, in co-operation with the Departments of the Secretary of State and of External Affairs, will hold a conference at which national organizations concerned with human rights will review progress in Canada since the Universal Declaration was adopted.

The federal and provincial governments are now preparing reports for the United Nations on the implementation in Canada of the two human-rights covenants. When the reports are completed, they will be made public. They will provide Canadians with important information on the state of human rights in Canada.

We are commemorating the thirtieth anniversary of the Universal Declaration on Human Rights, not only as a reflection of the past and present importance of that historic document but also as an opportunity for us, as Canadians, to move forward. In doing so, we renew our commitment to ensure that everyone, everywhere, will enjoy fully the fundamental rights and freedoms described in the Universal Declaration.



Statements and Speeches

No. 78/15

THE COMMONWEALTH — A UNIQUE INSTRUMENT FOR CO-OPERATION

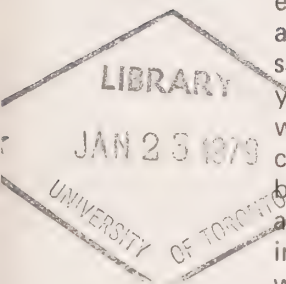
A Speech by the Secretary of State for External Affairs, the Honourable Don Jamieson, at the Royal Commonwealth Society Lunch, London, on December 6, 1978.

* * * *

...It is always for me ... a great pleasure to return to London, particularly so when I have the opportunity, as now, to speak to such a distinguished group as the Royal Commonwealth Society. Some weeks ago, when Mr MacDonald and I had the good fortune — at least from my point of view — of spending several hours together travelling to and from Kenya, we discussed the Commonwealth at great length and talked about its future and the impact that it may be able to have on world affairs in general. When he was good enough to invite me to address this distinguished body, I, of course, accepted at once, and I am very pleased that my schedule on this occasion was mutually satisfactory and we were able to arrange this get-together.

That was the easy part of it for me in terms of accepting. What has been, and continues to be, difficult for me is to know precisely what I ought to talk about in relation to the Commonwealth. There is literally an endless number of aspects of Commonwealth relations that deserve in each case rather a detailed examination and that, of course, would be quite impossible given the time constraints and your patience. At the same time, I consulted with my dear old friend and colleague, Paul Martin, who emphasized that it was a family affair and who advised me against a prepared text or any sort of learned discourse on a certain aspect of Commonwealth relations, and said: "Why don't you just give them, as it were, off the top of your head, some of your own personal impressions and some of your own views?" And that, therefore, is what I propose to do. In the meantime, I ought to say, parenthetically, that I hope I can avoid the tired old generalizations and the rather weary platitudes that we have been hearing over the years about the Commonwealth and I may say that I'm a bit of an expert on that subject. It suddenly occurred to me this morning, for the first time in half a century, literally, that my earliest, very first public appearance was when I won an oratorical contest as a young boy, reciting a thing called *Children of the Empire*. And, you know, I dredged up out of history this morning that particular incident and also realized, in recalling a few lines from it, how much things have changed and how important it is for us in these days to understand the distinction between the old British Empire, as we used to call it in those days, and the present Commonwealth of Nations.

I think it is rather unfortunate in some respects that some of the more articulate people on this subject have not yet made that distinction. I have a great sympathy and understanding for their emotional attachment to the past, and I am as great a respecter of history, I think, as anyone present in this room or probably anyone involved in international affairs today, and yet I think it is a real disservice to the potential that exists in the Commonwealth to seek to preserve it or to perceive it as being the kind of instrument that it once was in that distant past (and which, I think we can



all acknowledge, was an extremely useful instrument at its time and did a profound amount of good around the world). Whatever the downside of that historical perspective may be, we can only conclude today that the world is a far better place than it would have been had the British Empire and everything that it represented not existed at the period that it did.

One of the things, I think, that we have in common in the heritage that we have inherited, in a sense, from that British tradition is genuine healthy respect for what I might describe as "respectable compromise". One of the things that always disturbs me in these terribly complex days around the world is the disuse into which the word "compromise" has fallen if one uses it appropriately, because somehow or other, when one is described these days as being a "compromiser", there are overtones of "sell-out" or there are [a] sort of facets to the use of the word that are most unfair and quite inappropriate, because, if one looks at every one of the challenges that face us in international affairs today, if there isn't an element of what I will call "respectable compromise" introduced into them, then, of course, one gets a rigidity of positions on both sides and the end result is not very pleasant to contemplate. And so, therefore, I think that one of the things that we have learnt from our British background and from the Commonwealth experience is compromise, and also a kind of pragmatism that has enabled us to adjust to new and changing circumstances in a way which has kept the Commonwealth functioning and without which, I suggest, we simply would not be here today talking about this particular institution, because it would not have survived the kinds of trials and tribulations to which the chairman has referred. These, of course, were only a few among a very large number that have occurred since the decision was made somewhere back around 1949 to restructure and to give new vitality and a new sense of direction to the Commonwealth.

In that context, therefore, I think we ought to start asking ourselves: "Where do we go from here?"

One of the problems that I have in seeking to determine a specific and effective and constructive role for the Commonwealth is that I see it as now part of a proliferation of organizations around the world, none of which are mutually exclusive, and which bring into play and into being a whole series of different memberships by different countries. In our own case, for example, we have a very close working and practical relationship, and a most friendly one, with the United States, whose distinguished Ambassador I am pleased to see with us today. Therefore, in the North American context we are constantly literally on an hour-by-hour basis developing a kind of Canada/United States relationship. Similarly, of course, in Africa there are now not only such organizations as the Organization for African Unity, but regional groupings of various kinds are emerging, some of whose members are within the Commonwealth, some not. Southeast Asia, where our chairman has had more experience than almost anyone else in Commonwealth affairs or, indeed, in international affairs, is yet another example, where we have the ASEAN groupings, some of those members belong to the Commonwealth and are long-standing representatives of this organization and yet others who are not and who stem from a quite different kind of tradition.

And then, even within our own countries, the structure of them has altered markedly over the last 30 or 40 years. In Canada, for example, where we have had the very proud tradition of two founding peoples, the French and the English, we have since the war had a new infusion and a most valuable one, which now means that something over one-third of all Canadian citizens are neither of French nor English origin, and that number, indeed, is increasing on a steady basis. And so, therefore, the character not only of our regional groupings but of our individual countries is changing, and consequently we must, in the Commonwealth, be prepared, as we have been, to adjust to these new circumstances, to define new roles for the organization, so that it can maintain the vitality that we talked about back in 1948 when the new organization, in effect, was put into place.

In so far as I am concerned personally, ever since that day when I talked about the children of the Empire I have been an unashamed and unabashed defender of the Commonwealth concept. Whatever the form it has taken at any given moment in history, it has always seemed to me to be a unique organization and one that it was very much worth our while to preserve. Since I have assumed my present responsibilities, and, indeed, in all of the years that I have been in government, I have sought out every opportunity that has presented itself in order to advance the Commonwealth cause, not only for its own sake but for what it can do in terms of the world in general.

Harking back to what I said a moment ago about the changing structures, it will not surprise you — nor, indeed, is my experience unique — to discover that it has not been easy on all of these occasions to get the kind of enthusiasm and the kind of support for the Commonwealth that I believe is essential.

Clearly, as countries have emerged, as they have wished to identify more clearly their own character, their own sense of national purpose, they have had to, of necessity, re-examine some of their old relationships. There have always been elements within the various countries of the Commonwealth that have had a dubious linkage with, for example, the origins of the Commonwealth, and so, therefore, it has been for me and for those who share the same kind of views a difficult task, but it is one that is worth persisting in.

I believe that today it is probably, in the words of Charles Dickens, "the best of times" and "the worst of times" in so far as the Commonwealth is concerned. It is the best of times in the context that there are more opportunities now for this unique grouping of people to come together in support of worthwhile endeavours around the world; it is the worst of times for many of the reasons I recited a few moments ago — namely, that there are so many conflicting cross-currents at play, and it is exceedingly difficult for the Commonwealth to find its particular niche.

I think one of the dangers for us as a Commonwealth is that we try to be all things to all people, or that we try as a Commonwealth organization to spread ourselves so thinly in every conceivable kind of trouble-spot, in every conceivable kind of difficult situation, that we fail to have any impact anywhere, and therefore I have been arguing

in Commonwealth councils for some time that the most important thing for us to do is to ask in the first instance: What are the levers, in the most appropriate sense of that word, that the Commonwealth possesses? What are those powers — the influences which are identifiable and which then can be honed and sharpened to apply to particular problems? So once we know what we are, once we know what our strengths are, we can then, looking at the panoply, really, of difficult areas, ask ourselves which of those is an area in which our talents can be most useful and most effective. In so far as what our powers are, I think some of them at least can be stated quite simply.

There is unquestionably a community of interest within the Commonwealth. It is not something that is easy to describe. Indeed, I once said to be a group of my colleagues from the Caribbean that we ought not to spend too much time analyzing the Commonwealth, because in some respects it is a very, very nebulous kind of concept. If you really start to spell it out and ask yourself what it is that is holding all of these countries in this relationship and many hundreds of millions of people in this relationship, you start to get into the specifics of it, it is extremely difficult to understand why it has survived for so long. But there are certain things about its character that I think we can state with certain specificity, and one of those is, of course, that we do, in a way, stem from the same kind of origins. I think the traditions, the democratic traditions, that we possess in common are enormously important. There is the fact that we feel at home with each other. I had a gentleman say to me not too long ago that, even when he crossed the border into Canada from the United States, he had a kind of different feeling as a Commonwealth member, and these things, while they cannot be measured in specific terms, are enormously important.

Then, too, there is, of course, the fact that we do have a strong physical presence in some of the most dynamic parts of the world today — Africa being one, Southeast Asia being another — and in Africa, in particular, I believe that the Commonwealth presence and the Commonwealth influence are going to be crucial if we are going to solve the problems of southern Africa.

I have had the opportunity over this past year in particular, in concert with my other colleagues on the Security Council from the West, of dealing at close range with the Namibian situation in particular, but also, of course (peripherally but nonetheless importantly), with Rhodesia, and while I take nothing at all away from the five of us, or indeed from Germany, the United States and France, I think they would be among the first to acknowledge that the United Kingdom's and Canada's presence in the Commonwealth has added a dimension to that effort which is identifiable and which will indeed, if we succeed, prove to have been probably pivotal in bringing about a solution. I believe, despite the conflicts that are in play among the various countries, that the same can be said of Rhodesia. Once again, it is not easy to be precise in defining what those elements are but, if I may use a Canadian example, I think that Prime Minister Trudeau's close personal association with the Commonwealth, the commitment that he has had to it over this past decade, the friendships and the relationships that he has built with various Commonwealth leaders, have on a number of occasions been of great importance in terms of influencing, for example, some of

the leaders of the "front-line" states, who, in turn, have had a very profound effect upon some of the leaders of the various independence movements and the like. So, in that sense alone, the Commonwealth would justify its existence if we did nothing more than move that terribly troubled and perplexed part of the world, southern Africa, towards a more stable and a more hopeful future. I am told that there is to be a question period and I will be more than happy to answer specific questions with regard to southern Africa, or, indeed, anything else at that time.

I think also that, once again, although it is somewhat intangible, it is important to reaffirm the kind of moral strength that the Commonwealth brings to the world. In the past couple of decades at least, there has been a tendency for those of us who are in international affairs to have become hyper-cynical, to assume that power politics is everything, and that really the decisions are going to be made in the last analysis by those who have either the most weapons or the greatest amount of wealth or, to put it in crude terms, the greatest amount of "clout". I am not so naive as to underestimate or to dismiss the importance of power politics, but I believe that power politics devoid of a moral element will certainly not be in the long run beneficial to the West. There are any number of differences between us and, let us say, our Communist opponents, but surely one of the things that we must continue to bring to international affairs is a sense of morality, some concept of what is good for the world without carrying that to the point of evangelicalism or some kind of messianic fervour. In this regard, I may say once again that I have been enormously helped in the last year or so by what I regard as the addition of this dimension — or perhaps I ought to say the emphasis of this dimension — by the present Administration in the United States, because, if we do not have the example to show to the developing world in particular and, indeed, to those countries either behind the Iron Curtain or otherwise threatened by the Communist influence and encroachment, if we do not have the example to give to them, then in the long run we are not going to be very impressive as far as they are concerned, nor, above everything else, are we ever going to be able to hold them in concert with us when the going gets tough. So I make no apologies at all for looking upon international affairs in the sense of our having a certain moral imperative in our dealings with the developing countries in particular. And surely this is something which the Commonwealth has in abundance. That, while it is true that various forms of government have emerged within Commonwealth countries that have in a way established their independence outside of the context of the old British Empire, if one visits all of these countries, you can see unmistakably the residue — it is true, in some cases, the residue of what was bad in the old structure — but you can also see the residue of what was good and what was lasting and what was permanent.

And so, therefore, in terms of a developing Commonwealth, it seems to me that we have to understand and acknowledge that, while we must reach for what is good in the new, we must be daring and we must be broadminded and we must be accommodating in terms of various countries' differing objectives and goals in terms of their nations. While we are reaching for the new, we must also realize that there are things that are worthwhile and substantial in the old and that it is not necessary to destroy everything that is substantial from the past in order to gain the maximum from what

is good, or appears to look good, in the future.

Finally, in terms of these possible roles for the Commonwealth, it seems to me also that the Commonwealth is of enormous value in terms of what has come to be called the North-South dialogue. That here once again, uniquely in terms of all of those world forums to which I made reference earlier, the Commonwealth marries both the developed world and the developing world. It is the one place where there come together in a single organization countries such as Canada, the United Kingdom, Australia, New Zealand, highly developed, with a great technological achievement to their record and a whole range of other benefits and experiences. It marries them and brings them together with some of the least-developed countries in the world and, for example, at a heads-of-government meeting of the Commonwealth, you have, as equals at the table, leaders from some of the most successful countries of the world industrially and some of those that have the farthest distance to go. And in that common experience and around that common table a great deal can be done in the absence of tensions and the like that is almost impossible to achieve in any other forum, and so I put the greatest possible weight on the Commonwealth and its organizations dealing in the whole question of what used to be called "foreign aid"; but what we are speaking of here really is in the sense of Commonwealth aid and then broadening it out into the North-South dialogue generally.

Here, once again, I believe that we have the chance to demonstrate by example that the techniques that we devise among ourselves are effective and are workable and therefore there are more people in other countries who are likely to emulate them. We, in Canada, for example sometimes wonder — and I do personally — whether our attitude towards foreign aid, in which perhaps to a greater extent than most countries we move on the basis of "no strings attached", no ideological commitments, we sometimes wonder if we are not perhaps being somewhat naive in this regard. But the fact of the matter is that by doing this, by saying that assistance to developing countries is something separate and apart from our wish to see them move in a particular democratic direction or whatever the case may be, we gain more respect from those countries and therefore legitimate influence on our part is more readily received. They are more open, when it comes to an issue that is of concern to us, to respect and to support our point of view, because (to put it crudely again) we have not sought to "ram it down their throats". And so, in this foreign-aid field in particular, I want to give every possible encouragement to the Commonwealth associations and, of course, particularly to the central office, which is organizing these efforts here in London.

There is so much more that I could say on specifics, but in many respects I fear that I am speaking to the converted and I know from experience that many of you are wiser in these matters than I am.

But let me end, as I began, by reverting to my concern about the proliferation of organizations and about the dangers that the Commonwealth can be caught in some kind of squeeze which will destroy its usefulness or, if not destroy it, then certainly dilute it significantly.

I believe that this can only be avoided if we have these clear-cut objectives about which I spoke. I am concerned when I attend various meetings to hear spokesmen for the Commonwealth — and I mean within different countries of the Commonwealth — advocating a variety of initiatives for us some of which, I suggest, if not totally foreign to the basic idea of the Commonwealth, are nevertheless a danger to its survival, and here I would urge all of you who have any part in various Commonwealth organizations to ensure that the sort of criteria I established initially of effectiveness and credibility are the yardsticks by which we move. I think also that it is important in the same context that we within the Commonwealth must be prepared to stand up and to oppose oppression and tyranny when it exists within the Commonwealth membership. There have been occasions in the past when, because of a fear that perhaps there might be some disintegration of support or some problems between members, we have been reluctant to make the kind of emphatic statements based on the moral principles to which I referred a few moments ago when a Commonwealth country has been concerned. We all know that there are offenders within the Commonwealth. Not many, I am happy to say. But we must be just as vigilant in so far as our own membership is concerned, and we must be just as prepared to speak up — as, indeed, we are when it occurs in some country that is not in the direct sense of the word related to us.

We in Canada have a very strong commitment to the Commonwealth. We believe in it. We believe in it as a working instrument. I think it was Sonny Ramphal who said that the Commonwealth cannot negotiate for the world but it can help the world to negotiate, and that is a principle to which we subscribe fully.

We also believe that we have a special relationship with the United Kingdom.

There are just too many of us in Canada who, like me, grew up with this awareness of what we then used to call the mother country, so much so in my own province, Newfoundland, that as recently as 20 years ago we were talking about the "home boat", the vessel that came each week or so from the United Kingdom. But there are too many of us who have that tradition, too many of us who are aware of the enormous benefits that the United Kingdom down through the centuries has brought to the world, to be prepared to jettison this strong element in our Canadian tradition.

We have of course, as well, that second stream which we regard as being equally vigorous and equally important and which, in a sense, by its nature illustrates the diversity of the Commonwealth and its capability to embrace all manner of concepts and various groupings of people.

I also want to say a word to this distinguished audience about Canada's attitude towards the monarch. In the recent past, there has been a good deal of talk (some of it, I fear, mischievous, a good deal of it ill-informed) about some of the steps which we in our country are taking to establish with clarity the role of Canada and its relationship to the monarchy. I want to emphasize with all of the vigour that I can here this afternoon that Canada has every intention of remaining what it has been for all of these years, a constitutional monarchy with Her Majesty the Queen fully re-

cognized and in every respect what that definition implies. There is a great love for Her Majesty in Canada. Not only is there a respect for the institution of the monarchy but I must tell you in all sincerity that Her Majesty has brought to that traditional respect a widespread affection within our country, an awareness that our country, Canada, and the Commonwealth are exceedingly well led at the present time in the sense of Her Majesty's personal presence, that she has a comprehension and awareness that are serving all of us well in the troubled times in which we are living. I have no hesitation in saying to you that I cannot conceive of any development in my country, either constitutional or political, that would be likely to change, in any way that is important, the role of the monarchy and the great respect, affection and indeed love that we hold for Her Majesty. And so this, too, is something which brings us all together, which is a common kind of heritage and background that we possess.

There are very challenging days ahead for the world. Sometimes I despair that we will ever be able to keep up with them. I commented to my colleague Cyrus Vance last week that diplomacy has made about a 180-degree turn in the last number of years. Whereas it was the role of foreign ministers once to travel to those countries which were friendly in order to reaffirm those friendships, today it is almost necessary to lob a few shells into a country before you justify a visit by a foreign minister and it is always a firefighting kind of operation. It is regrettable, therefore, that I in my capacity do not always have the chance to get to all of the Commonwealth countries. I have managed to get to a good many, but I never miss a chance to return here to London, which is the fountainhead of the Commonwealth, and in a very real sense reflects today its vigour and its continuing importance.

And, if I take one more moment, I would hope that the British Government and the British people will continue to have the same keen awareness of the importance of the Commonwealth that I have described as being important to us in Canada. I, of course, would not presume, in the United Kingdom or elsewhere, to tell Britishers what they ought to do or what their policies ought to be, but I think that as a member of the Commonwealth it is a legitimate comment for me to express the hope that the United Kingdom will not become so preoccupied with the events of Europe, so enmeshed in the new and unavoidable complexities of the world in which we are living, that the Commonwealth, of necessity, will have to take second place or play second fiddle. I realize full well — and who more than I, who must deal with the giant of the United States of America on a day-to-day basis — that Europe and your relationship with this part of the world are enormously important, but I do hope, as a Commonwealth member, that the United Kingdom can keep both strings to its bow. I believe that is possible. I believe that the United Kingdom can continue to enhance its relationship with the rest of Europe and at the same time can continue to work with us in a more vigorous partnership, and with the other members of the Commonwealth, to employ this unique instrument in the variety of ways that I — and I am sure you — see for it, in advancing the cause of peace and security in the world and the preservation and enhancement also of the principles which have brought us all here together today. Thank you very much indeed.



Statements and Speeches

No. 78/16

CANADIAN POSITION ON DISARMAMENT RESTATED

A Statement by the Adviser on Disarmament and Arms Control Affairs, Mr G.A.H. Pearson, to the First Committee of the Thirty-third Regular Session of the United Nations General Assembly, New York, November 21, 1978.

To prevent war and to maintain international stability, most members of the United Nations believe that they must be prepared to defend themselves, either singly or collectively. This means that, unless and until there is a radical change of attitudes amongst peoples and governments, which we cannot realistically anticipate soon, the goal of general and complete disarmament is bound to continue to seem a distant one.

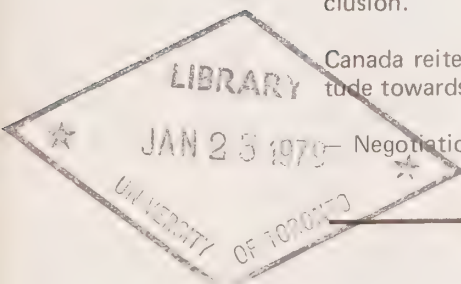
Deterrence has been an important, perhaps decisive, factor in preventing a global war during the past three decades, but there is no assurance that deterrence will continue indefinitely to provide stability if the nuclear-arms race continues. The appearance of new, more accurate and more efficient systems of weapons may upset the present balance or create perceptions and fears that it will do so. At the same time, the proliferation of nuclear weapons could increase the risk of war by accident or miscalculation, as well as making arms-control agreements more difficult to achieve and verify. For example, ten years ago the U.S.A. and the U.S.S.R. possessed approximately 2,700 strategic missile warheads. Today, this number is reported to be close to 15,000. In addition, new weapons can erode the viability of, and confidence in, existing arms-control treaties. Thus, continuing development and production of nuclear weapons is fraught with such dangers that at some point in the near future the factors weighing against the use of nuclear weapons may be undermined.

Strategic
Arms
Limitation
Talks
(SALT)

We believe there cannot be any long-term solution to the problem of horizontal proliferation unless the two major nuclear powers succeed in halting and reversing vertical proliferation, as they are pledged to do by Article VI of the Non-Proliferation Treaty. Even in the short term, failure by the U.S.A. and the U.S.S.R. to reach agreement to curb substantially their strategic nuclear-weapons systems can seriously jeopardize the strengthening of the non-proliferation régime. We know that the two major nuclear-weapons powers are conscious of these realities; otherwise they would not be committed to seeking agreement in the Strategic Arms Limitation Talks. We understand, too, that the SALT negotiations deal with the vital security interests of the U.S.A. and the U.S.S.R. and their allies, and that in these circumstances progress cannot easily be made. However, we must confess that we find the pace of these negotiations very slow in view of the vital interest that we all have in their successful conclusion.

Canada reiterates its earnest hope that the talks will soon lead to agreement. Our attitude towards them is and will be guided by the following factors:

Negotiations should be pursued as an ongoing process, with each successful agree-



ment setting the stage for the next round of negotiations.

- SALT should seek not only restraints but also substantially-reduced ceilings on strategic nuclear weapons.

- SALT should seek not only quantitative limitations and reductions but also far-reaching limitations and prohibitions on qualitative improvements and innovations in such weaponry.

- Agreements must be verifiable and thus give assurance they will be observed.

- We understand that a ban on the flight-testing of strategic delivery vehicles can be verified by national technical means and thus may be one useful and feasible way to seek to curtail the qualitative aspects of the arms race.

- With those thoughts in mind, my delegation fully supported the language of Paragraphs 50 and 52 of the final document of the special session on disarmament, with their emphasis on both qualitative and quantitative limitations. We also supported Resolution 32/87G adopted by the thirty-second session of the General Assembly and we continue to do so.

Comprehensive Test Ban

I wish to repeat here the views of my Government on the Comprehensive Test Ban (CTB), which was the first of the four points outlined by my Prime Minister in his "strategy of suffocation" to arrest the dynamic of the nuclear-arms race:

- A treaty prohibition of nuclear tests, with effective verification to provide adequate assurance of compliance, would be an additional qualitative restraint on the nuclear-weapons development process and thus have an impact on vertical proliferation.

- As a multilateral treaty to which non-nuclear-weapons states as well as nuclear-weapons states might adhere, it would also have value in reinforcing the international system to prevent horizontal proliferation.

- Canada believes that a comprehensive test ban should be pursued as a matter of urgency, as stipulated in Paragraph 51 of the final document of the special session. We understand that the negotiations now being pursued by the U.S., Britain and the U.S.S.R. are close to conclusion and we can look forward to early consideration of the results in the Committee on Disarmament.

Cessation of the production of fissionable material

On many occasions, and most recently during the special session, Canada and many other states have drawn attention to the fact that agreement on the cessation of the production of fissionable material for weapons purposes would also contribute to the ending of the nuclear-arms race. We welcome the explicit recognition of this approach in Paragraph 50 of the final document of the special session on disarmament. Obviously, as is the case with many other measures in the disarmament field, the usefulness of such an agreement would depend on the application of effective verification measures, which, in this instance, should include acceptance of full-scope or comprehensive safeguards under the IAEA (International Atomic Energy Agency) or some equivalent system.

The objective, in our opinion, should be the elaboration by the Committee on Disarmament of a multilateral treaty, to which both non-nuclear and nuclear-weapon states might adhere, prohibiting the production of fissionable material for nuclear weapons

or other nuclear-explosive devices, and prohibiting the diversion for nuclear weapons or other nuclear-explosive devices of any fissionable material produced in connection with peaceful uses of nuclear energy. Such a measure would have the advantage of focusing in the same instrument on both the "vertical" and "horizontal" dimensions of the proliferation of nuclear weapons. However, before negotiations could proceed very far in the multilateral phase, it would be desirable for the two major nuclear powers, and any other nuclear-weapons states willing to participate, to explore the "cut-off" aspects, including the verification aspects applying particularly to nuclear-weapons states. Verification backed up by full-scope safeguards would ensure that all parties to such an eventual treaty would be bound essentially to the safeguards accepted by the non-nuclear-weapons states party to the Non-Proliferation Treaty.

Canada, therefore, believes that it would be appropriate, especially in view of the renewed interest shown in this subject, that this question be given early consideration in the Committee on Disarmament.

Studies

My remarks so far have been directed mostly to actual or potential negotiations about agreements on nuclear-arms control. I have, in the context of the CTB and the cessation of the production of fissionable material for weapons purposes, already recalled the "strategy of suffocation" which my Prime Minister outlined before the special session on disarmament. Two other elements of that strategy, as he noted them, would be agreements to stop flight-testing of all new strategic delivery vehicles, and to limit and then progressively to reduce military spending on all new strategic nuclear-weapons systems, subject to the proper verification procedures. All four of these elements remain important and should not be put aside. Even if at the present moment concrete steps towards implementation of the whole strategy may be premature, nevertheless they can and should be studied, either individually or as a part of a concerted approach. The special session has already commissioned a somewhat similar study on disarmament and international security. We are also looking forward to the recommendations of the Secretary-General's Advisory Board concerning a United Nations Studies Program. We should expect that a part of this program would include the constructive proposal by Sweden for a study of nuclear-weapons systems. Such a study would provide a further opportunity to examine the kind of approach proposed by Canada that I have just recalled.

Reduction of military spending

Clearly, balanced reductions of military expenditures in a bilateral, regional or even world-wide context would also have considerable benefits. As I mentioned earlier, in my intervention on Item 125 on October 27, the development of a standardized system of reporting could open the way to the possibility of creating measures for the reduction of military expenditures. We ought to consider the possibility of multi-lateral discussions on how and in what fields of military spending these reductions could be implemented. Necessary conditions for progress would be greater willingness to make information available and the need for adequate verification. I must here express disappointment that support for a pilot study of a standardized reporting system has been limited so far to a very small number of countries. Without the participation of countries from different geopolitical groups, including all nuclear-weapons states, any such test will be of limited value.

Conventional weapons

Four-fifths of the \$400 billion spent on weapons each year is spent on so-called conventional weapons. In our opinion, the time has come for an examination of all aspects of the problem of conventional disarmament, including the transfer of arms. We are aware that such transfers are now the object of bilateral talks between the U.S. and the U.S.S.R. We assume that these talks will involve, at a later stage, other major suppliers. However, it seems to us that this approach could usefully be complemented by multilateral and regional approaches involving importers. The Committee on Disarmament should give more attention to this subject. The objective would be to achieve the same security at a lower level of armaments and to introduce some qualitative and quantitative restraints on production as well as transfers.

We also hope that the Conference on the Prohibition or Restriction of the Use of Certain Conventional Weapons will be able to complete its task next year by producing meaningful agreements prohibiting or limiting the use of various weapons. Military and security considerations are legitimate, but they must also be weighed against humanitarian concerns. If we cannot prevent war, at the least we can try to limit its effects.

Regional approaches

The Latin American countries have given the rest of the international community a unique example in the field of regional approaches to disarmament. The Treaty of Tlatelolco has so far established the only nuclear-weapon-free zone in a populated area, and constitutes a rare success. We are particularly pleased by the willingness of all the nuclear-weapons powers to enter into the formal and binding obligations required by Protocols I and II of the treaty. We strongly hope that the few remaining countries of that zone who have not yet done so will ratify the treaty in the near future and waive the conditions for its entry into force for themselves also, so that the objectives of the treaty are completely and universally achieved.

Latin America is also to be commended for its efforts to agree on self-restraints in the field of conventional weapons. If the signatories of the Ayacucho Declaration succeed in their enterprise, they will have once more achieved another "first" in disarmament. I wish to reiterate our full support for this promising undertaking.

Another example of the regional approach is to be found in the confidence-building measures agreed to among the signatories of the Final Act of the Conference on Security and Co-operation in Europe. We hope that those measures so far agreed [on] can be extended and that other regions of the world will be able to initiate similar efforts.

Chemical weapons

The negotiation of a treaty on chemical weapons has been given high priority by this Assembly for many years. Intensive bilateral discussions are going on between the U.S.S.R. and the U.S. to produce, as requested, a joint initiative for submission to the Committee on Disarmament. We understand that progress is being made but that it may take some time before the key elements of a treaty can be tabled in the Committee on Disarmament by their two co-sponsors. We should like to express here the strong hope that, when the Committee meets, it will start work on areas where there is already a large measure of agreement, such as the scope of a future treaty, whether

or not the bilateral negotiations are complete. It is obvious that there will be considerable work to be done before we begin the negotiation of a multilateral treaty on chemical weapons. We believe that the Committee on Disarmament could usefully begin this task by establishing a working group that, for example, could deal with the definition of chemical agents.

I have commented briefly on some of the items listed on our agenda. Each of them deserves more time than it is possible to give in this debate, even though some have been the subject of intense scrutiny for many years. We know that oratory will not bring agreement. We also know that very real differences of view are the cause of stalemate or of slow progress. But, in the absence of genuine negotiation on a multilateral basis, there is little alternative to the making of speeches. We express at the United Nations our collective sense of urgency. As Dag Hammarskjöld put it over 20 years ago, "people might rightly feel that it is not in keeping with their reasonable rights to life to have to live under the kind of threat that ... emerges from the total situation as it develops while the discussions are going on". That threat is greater now, and we therefore welcome the fact that prospects of agreement on further measures to restrain the strategic-arms race appear to be good. Arms-control measures are clearly vital. But we must move on, and move soon, to real disarmament if we are to keep control of the human future itself.



Statements and Speeches

No. 78/17



A REUNION OF FRIENDS AND NEIGHBOURS

A Toast by the Secretary of State for External Affairs, the Honourable Don Jamieson, at a Dinner in Honour of United States Secretary of State Cyrus Vance, Ottawa, November 21, 1978.

Honourable Secretary of State, honoured guests from the United States and Canada, it is my great honour this evening to welcome to Ottawa, and to Canada, my very good friend Cyrus Vance. Cy Vance is a colleague in international affairs with whom it has been a pleasure and a privilege to work in a number of international forums over the past two years.

This is a very special occasion for us in Canada. It is less a state occasion than a reunion of friends and neighbours. Since I became Secretary of State for External Affairs two years ago, I have been impressed by the unique character of relations between Canada and the United States. We are two young nations that grew up in a new world, whose populations are made up of people from a multitude of nations and civilizations from different parts of the world. We speak a common idiom in North America — even though in Canada we do it in two languages — and understand each other perhaps better than any other two comparable nations in the world. This understanding and willingness to see the other's point of view has enabled us to achieve some exemplary forms of co-operation.

We welcome tonight a friend, and a representative of a vigorous, and indeed courageous, Administration. You and President Carter have brought renewed elements of humanity and personal concern to U.S. foreign policy. Your contribution to President Carter's magnificent achievement in bringing Israel and Egypt together again and rekindling their resolve to find peace in the Middle East is well known. Only a dedicated Administration in the United States could have established this framework. There may still be some distance to go before that part of the world knows the full blessings of peace, but Canada is also committed to doing its part in keeping both parties negotiating and ensuring the necessary international atmosphere for a lasting peace.

On bilateral matters, never in the history of our two countries have we faced more difficult and complex problems; yet relations between Canada and the United States have seldom been better than they are today. To be sure, there are tensions and still unresolved issues of great importance, but there is no bitterness, no sense of confrontation. Rather there is a strong and mutually-shared commitment to consultation and co-operation, and the results are obvious. The record of our specific achievements speaks for itself.

This audience does not need detailed reminders of the extent of our interdependence, but a few statistics are in order. Canada and the United States do more business together than any other two countries on earth. American exports to Canada equal

those to all of the European Economic Community and are two-and-a-half times U.S. exports to Japan. Canadian cross-border sales dwarf our exports to the rest of the world, with Canadian auto sales alone worth one-and-a-half times everything we send to the EEC.

And raw statistics tell only part of the story. Because of the intricate economic linkages, an improvement in the Canadian economy benefits the United States far more than a comparable rise in any other country or region; the reverse is equally true — in spades. It is not by choice only that we co-operate to fight to-day's major economic problems; it is a matter of necessity. Neither country can enjoy real economic health while the other is ailing; nor can one nation remain insensitive for long to the other's legitimate concerns.

Fortunately, on virtually all unresolved issues negotiations are continuing and I can report with satisfaction that there is across-the-board progress towards resolution. This is yet another mark of the good state of Canada-U.S. relations, for, in to-day's troubled economic times, countries usually move instinctively towards isolation, protection and confrontation.

No one speech can cover the full range of Canada/United States relations. Even if it could, we can be certain that, before the words were uttered, new elements would be added and other no-longer-relevant issues deleted. Such is the nature of one of the most complex and dynamic bilateral associations in the world.

Despite this ever-changing pattern, there are, nevertheless, certain constants in the relationship, most of them highly desirable and positive, but a few, as we have seen, that produce ongoing, inevitable tensions. These call for constant attention and mutual sensitivity if they are to be kept within manageable limits.

When speaking of our common interests and characteristics, the temptation to indulge in high-blown rhetoric is almost irresistible. By any measurement, ours is a remarkable and unique example to the world. In my extensive travels, I have found nothing in either the developed or the developing world that comes even remotely close — quite the contrary. Good neighbourliness and mutual trust between nations are rare ingredients indeed on this tragically troubled planet.

Although I have discovered that there are many around the world who think otherwise, good Canada/United States relations are not something we inherited automatically along with our North American domiciles. We have had to work at it; we must still work at it. Otherwise minor irritants, of which there must be many thousands between Canadians and Americans in the run of a year, would soon accumulate and merge into a general feeling of antipathy and even bitterness. This is the fact, and the example we can convey in our international relations.

In our dealings with the world community, there is little real difference in the ultimate goals of Canada and the United States. This is not only because we consult on and co-ordinate many of our foreign-policy initiatives. It is also because,

instinctively, we perceive international problems in the same way and usually arrive independently at the same conclusions. The essential difference, which can create difficulties, is that the United States is a super-power, while Canada's ability to influence and shape events is much more limited. Nevertheless, there is a worthwhile and effective role for Canada that recent events have demonstrated.

In recent weeks, Secretary Vance and I have been closely associated in dealing with problems in southern Africa, and specifically in seeking to bring all sides to accept a United Nations solution to the transfer of political authority in Namibia. I have admired the energy, persistence and compassion that Secretary Vance has brought to these meetings.

We have also been closely associated in seeking a means of moving the troubled island and peoples of Cyprus towards that elusive goal of harmonizing two communities that have long known mistrust and conflict. Canadian troops have been undertaking United Nations peacekeeping operations in Cyprus for many years. Cyprus is a sister nation in the Commonwealth, one whose problems have been a close concern to us for many years. Mr Secretary, we must persist in this arduous task. We must find some way out of this perennial stalemate.

These are a few instances where we have demonstrated the scope for useful collaboration between Canada and the United States on the world scene. There are many other areas in which we can benefit from mutual support — in helping the refugees from the still-troubled nations of Indochina, in pursuing human-rights goals and international economic development throughout the world.

We are also going through a time of economic uncertainty and adjustment in the free industrial economies. Our two nations have joined together at the OECD (Organization for Economic Co-operation and Development) and with the major industrial nations at the "economic summit" to work out strategies for dealing with these economic problems.

Our abilities to progress on the world scene are directly linked to economic prosperity at home. In our discussions tomorrow, we shall be reviewing the economic performance in our two countries, whose economies are so intimately linked.

Of course, international and economic affairs are not the only subjects on our agenda. The visit of Secretary Vance to Ottawa gives us the opportunity, as close friends and responsible neighbours, to review in a relaxed atmosphere some of the problems of managing our neighbourhood.

Tomorrow, we shall sign the second Great Lakes water-quality agreement — a fine example of the willingness and the ability to co-operate constructively, dynamically, and even with a measure of boldness, in protecting one of the great natural wonders of North America, and the most important water boundary between our two countries.

We shall also be undertaking more difficult discussions on a more intractable problem — that of settling on a mutually-satisfactory regime for our extended maritime boundaries and management of fisheries and mineral resources in our maritime economic zones.

We shall review progress and problems associated with building a natural-gas pipeline from Alaska across Canadian territory to the lower 48 states.

We shall extend these discussions to other forms of co-operation in the energy sector. Efficient management and delivery of energy resources constitute one of the major challenges of industrial societies, and it behoves us to explore possibilities for mutually-beneficial projects to respond to this challenge in our neighbourhood.

But, in a very real sense, our neighborhood is now the world. Canada is deeply conscious of the world-leadership burden the United States is called upon to carry. We know that, in this position, the interrelation between important issues is incredibly intricate. Citizens of both our countries are not sufficiently aware sometimes that international issues are not a series of individual watertight compartments. Proposed solutions for one problem may be perfectly logical in that case but their application would serve only to exacerbate another equally-serious difficulty. When smaller countries or regions, or even groups of people within our own countries, have a special interest in only one element of the interlocking global puzzle, it is not always easy for them to comprehend the failure to advance on the particular and narrow front of their concern. They fail to see, sometimes, the mutual exclusivity of individual initiatives each of which may be eminently sensible in its own right.

In terms of Canada-U.S. relations in the international field, this is an ever-present fact of life. Because Canada does not have the same global responsibilities and range of interests, there are times when we find it difficult to stay in concert with the United States.

An independent foreign policy for Canada is not only a necessity for a strong and vital country — it also provides that element of credibility that gives meaning and significance to Canadian support for United States initiatives in international affairs. If the world community took it as read that Canada would always agree with the United States, then Canada would be cast in the role of a mere cipher and we should be no good to anyone — least of all ourselves.

And we must be ourselves. Despite our deep and abiding friendship, we remain two distinct peoples, alike where it counts and different where it counts. For America, there has been the agony of civil war — the courageous act, one of the finest in all history, of facing up to and subduing racial intolerance and bigotry. There has been also America's remarkable resurgence after the tragedy of Vietnam and the recent constitutional crisis, the reaffirmation of the moral strength that helped to build the United States and upon which Americans have always been able to draw in difficult and trying times.

From our side of the border, we Canadians have watched the fascinating drama of the developing, evolving America, sometimes with concern, often with admiration and even envy and always with affection. Canadians appreciate the terrible burden of world leadership the United States has assumed, the remarkable generosity it has displayed and the equanimity with which it continues to endure the harsh and often unreasonable criticism that power and leadership cannot seem to escape.

Often, around the world, I see and hear glaring examples of man's ingratitude and a widespread lack of comprehension of what the United States is seeking to accomplish. Those are times when it is my pleasure to seek to put the record straight, to say "they're our neighbours and they're not like that at all".

Canada has followed its own road to nationhood – different from that of the United States but in its own way no less troubled and difficult and no less rewarding. We possess today, on our half of this North American continent, a land of proud achievements and of incredible promise. We do not underestimate the seriousness and magnitude of our present problems or of the challenge we now face to our national unity. But Americans, who have watched us for so long from their side of the border, will know that our sense of national purpose remains strong, that our will and our ability to accommodate legitimate though diverse objectives have not diminished, and that the determination of the great majority of Canadians of all backgrounds, and in every region, is to build a stronger and even more united Canada.

As we pursue this important task, we appreciate the attitude of our American friends. The total absence of any improper interference is only what we should expect from a trusted neighbour. It should be an example for others.

Indeed, there is much in our relationship that others could emulate. We live in a world where trust between neighbours is in woefully short supply and where suspicion and cynicism are the principal ingredients in international dealings. How satisfying in such a climate to know that, in Canada/United States relations, a simple phone-call between Ottawa and Washington is often enough to resolve a serious problem and that a handshake can serve as well as a complex treaty.

We Canadians want to keep things that way; I am sure you Americans do too. And we shall.

Mr Secretary, and honoured guests, I should like to propose a toast to the continuation of the warmth and friendship shared by Canadians in all parts of the country with their fellows in the United States.



Statements and Speeches

No. 78/18

AN INTERNATIONAL PROBLEM OF GREATEST URGENCY – RESETTLEMENT OF REFUGEES FROM INDOCHINA

A Canadian Statement by Mr Jacques Gignac, Assistant Under-Secretary of State for External Affairs, during Consultations held in Geneva, December 11 and 12, 1978, on the Indochina Refugee Problem, under the Sponsorship of the United Nations High Commissioner for Refugees.

We are meeting today in response to an international problem of the greatest urgency — namely, the massive refugee outflow from Indochina. This is a problem of grave humanitarian concern. Tens of thousands of lives may depend on whether we find a solution without delay; however, the problem is of such magnitude that only a concerted and systematic international effort can deal with it. It is a problem of concern to all countries that adhere to the Universal Declaration on Human Rights and to its proclamation of the rights of every individual to life, liberty and security of person and of refugees to seek asylum in other countries. It seems particularly appropriate to recall these fundamental rights on the day following the thirtieth anniversary of the proclamation of the human-rights charter.

We are meeting here at the urgent invitation of the High Commissioner. Our first objective, based on a humanitarian concern, is to find solutions adequate to this tragic problem and to make certain that the High Commissioner will have at his disposal the means necessary to carry out fully his mandate as it relates to the refugees and displaced persons from Southeast Asia. In the excellent note he has prepared for us, the High Commissioner has correctly analysed the present plight of the refugees and displaced persons from Southeast Asia, and the enormity and complexity of the problem they pose. According to the statistics in his report, more than 430,000 individuals have fled Vietnam, Cambodia and Laos since 1975. Thailand alone has received some 195,000 refugees, including 51,000 this year alone. Of these, 130,000 remain. More than 85,000 have fled Vietnam in small and large boats. Many have found asylum in Malaysia, and of these 40,000 remain to be resettled. In addition, more than 150,000 have fled Cambodia for Vietnam during this period. During 1978, the flow of refugees has expanded dramatically from month to month, increasing from a monthly level of 2,000 to 12,000 in the space of several months. Impressive as these statistics are, their real significance can be appreciated only in the context of the human suffering they represent. However, this problem would have been even more dramatic had the High Commissioner and his devoted staff not already deployed remarkable and commendable efforts to assist the populations affected by this exodus and to alleviate their suffering. The fact that tens of thousands of refugees have been saved and can hope to establish themselves anew in another country is in large measure attributable to the sustained effort of the High Commissioner.

It is equally important to commend the responses of the Southeast Asian countries of first asylum, particularly Thailand and Malaysia. Confronted with a situation not of

their making and, furthermore, one that causes them enormous political, economic and social problems, they have responded to the limit of their means. That contribution should be recognized. Similarly, we commend those countries, particularly the United States, France and Australia, that have accepted refugees for resettlement, as well as those that have contributed financially to the High Commissioner's requirements. These countries have all assumed a share of the responsibilities incumbent upon them as members of the international community.

Canada is a country of long-standing humanitarian traditions. We have historically considered that a tragedy of great human proportions, whether it occurred in our region or elsewhere, whether it involved people with whom we had close historical links or otherwise, was nonetheless a matter of concern to us. We have considered that we have a responsibility to respond in the context of international efforts.

Besides being a country of immigration, Canada is also a country that has welcomed refugees and displaced persons. Furthermore, the new Canadian immigration act that came into effect earlier this year is reflective of our concern for refugees, as it incorporates the obligations we have assumed in acceding to the Refugee Convention and Protocol.

Canada is far from Southeast Asia. We have never had historical contact with the countries of the region. This has not, however, prevented us from taking an active interest in the tragic fate of the Indochina refugees. Since 1975, approximately 7,600 have resettled in Canada. This year we have initiated programs to accommodate 50 small-boat families and 20 overland families a month. We anticipate that we shall be able to continue to receive a significant number of refugees from this region. Recently, we played a significant role by accepting more than 600 refugees from the *Hai Hong*; these 600 were over and above our established resettlement programs. In all the regions of Canada where these refugees have started a new life, they have been warmly welcomed by Canadians.

While the effort to which the Canadian Government has committed itself rests on a national consensus, it does entail a considerable financial outlay. The decision to take in an additional 600 refugees from the *Hai Hong* required in itself a financial provision of \$2 million. The costs of resettling other refugees from Southeast Asia is in comparable proportions.

The Government program does not represent the totality of Canadian efforts. For example, a program has been established that would permit Canadian churches, non-governmental organizations, and indeed groups of five or more adults, to sponsor a refugee family's entry into Canada. Any such sponsored inflow would be above and beyond that sponsored financially by the Government. And I must say the response has been considerable. This new sponsorship program is only now being fully developed, but already the large number of Canadians participating is heartwarming.

The decision of the High Commissioner to convene this special meeting was taken in October in circumstances rather different from those that prevail today. In the two-

month interval, what was a serious outflow of refugees has turned into a major exodus. The flow of overland refugees has continued in the serious proportions that have existed for some time. However, the flow of boat refugees, which averaged 1,500 in the period May 1977 — March 1978 and which then increased to a level of 5,000 or 6,000 by August of this year, has since September reached the proportions of 10,000, 15,000, and perhaps even 20,000, a month.

Faced with the magnitude of the problem, it is quite evident that the High Commissioner, despite the effectiveness of his programs, cannot cope with the task with the resources at his disposal. It is also obvious that the burden on the countries of first asylum is becoming too heavy and that it must be lightened and more equitably shared. Furthermore, the options for permanent resettlement must be considerably increased and diversified. In short, given the form and magnitude of the population outflow, it is essential that the problem be taken in hand by the international community as a whole in a broadly-based co-operative effort. It is no longer adequate to address ourselves in a sporadic way to certain manifestations or symptoms of the problem, even when they represent as serious and as immediate a crisis as the *Hai Hong* incident. If we each seek individual remedies, the problem in its totality will remain. Furthermore, a continuation of recurring unco-ordinated appeals for assistance runs the risk in the long term of exhausting the good will of governments and individuals or, worse, of causing them to lose interest in the whole problem.

That is the challenge we must meet together. We consider that the High Commissioner in his note of November 29 has given us all the elements for an international plan of action to face that challenge. We agree with the High Commissioner that, first and foremost, we must aim at securing rescue at sea and first asylum. Human lives must not be lost as a result of the inability to provide a temporary asylum for refugees. To this end, it is necessary that the number of countries of first asylum in the region be increased and that guarantees be made to them of permanent resettlement in third countries. The High Commissioner should establish temporary camps throughout the region that will serve as reception and transit centres for the refugees as they arrive. We are fully aware, however, that the success of the High Commissioner in establishing temporary-asylum camps in the region will depend directly on guarantees of permanent resettlement. We believe that, in the present circumstances, it is imperative to explore thoroughly all possibilities for permanent resettlement, both within the region and in other parts of the world. It is essential that more countries open their doors to the refugees from Indochina. What a few countries alone cannot resolve surely could be resolved by the concerted efforts of a larger number of countries that have the means to contribute to a solution. Apart from the direct consequences for the refugees thereby received, this action would have a favourable impact on the parliaments and governments of the receiving countries and would reinforce their resolve to participate in a global effort. It is also essential that the fullest and most expeditious use be made of present resettlement possibilities. In this context, we should support all measures taken in concert by resettlement countries to move refugees quickly from countries of first asylum to countries of resettlement. Canada, for its part, has already undertaken a redeployment of its processing staff for the Indochina refugee program. In the case of the 600 *Hai Hong* refugees, though we should have

preferred the more measured and established procedures, we nonetheless succeeded in moving the refugees to Canada in two weeks.

We believe that, in any co-ordinated international effort, the national responses will vary, and should vary, as best accords with the resources and capabilities of each country. Both financial contributions and resettlement places are required. Some countries can provide both, while others can more productively seek to provide one or the other.

The measures we are discussing here touch only the manifestations of a phenomenon the origins of which lie in the political and social evolution of the countries of exodus. It is the responsibility of these countries to find a true long-term solution. This is not the occasion to discuss root causes in any detail. Suffice it to say that we have done so in other contexts, notably the United Nations General Assembly, and we intend to continue doing so until we see some amelioration. But any meeting of this kind should make it clear that the international community holds the countries of exodus responsible for the welfare of all their citizens, whatever their racial origin or their economic circumstances. It should not hesitate to make a clear humanitarian-inspired call upon those countries to make whatever adjustments are necessary to ease the situation that is engendering so much deprivation and suffering.

We are aware of the serious economic situation that exists in the countries of exodus. Apart from the broader economic problems, there exists a very serious food shortage, which has been compounded by recent severe flooding. To the extent that the refugee outflow is encouraged by a poor economic situation, the institution of multilateral and bilateral assistance measures may help somewhat to reduce the flow of refugees.

For purely humanitarian reasons, the international community might, perhaps, wish to respond. It has been the case for Canada, which has provided substantial assistance to one of the Southeast Asian countries of exodus. Nonetheless, our disposition in this regard would doubtless be strengthened if the countries of exodus showed a greater attachment to the fundamental rights and needs of all their citizens.

Given the magnitude of the problem and the complexity of the necessary solution, it is doubtful that two days are sufficient to our task. For this reason, my delegation believes that, at this stage, our first priority must be to reach consensus on the necessity for broad participation in an international plan of action such as the High Commissioner has outlined. We must support all the measures proposed by the High Commissioner, but first of all, and above all, those that address themselves to the immediate needs of the refugees — namely, temporary asylum, a more equal sharing of the burden among countries of first asylum and permanent resettlement. If we reach an understanding on these points and engage the participation of a sufficiently large number of countries, we shall have made important progress.

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Statements and Speeches

No. 79/1

CANADA REMINDS THE SECURITY COUNCIL OF ITS SOUTHEAST ASIAN RESPONSIBILITIES

A Statement by Ambassador W.H. Barton, Permanent Representative of Canada to the United Nations, in the Security Council, New York, February 24, 1979.

It is a measure of Canada's deep concern over the current situation in Southeast Asia that we joined with Australia and New Zealand in what for us was an unusual step — namely, that of supporting, in a letter addressed to the President on February 23, the request for an urgent meeting of the Security Council. That we have also now sought to address the Council is again indicative of the importance Canada attaches to this debate. While Canada is neither a party to the many-sided disputes now disrupting the peace in Southeast Asia nor an immediate geographical neighbour, we regard ourselves as a member of the Pacific Community and Canadians are deeply troubled by the far-reaching consequences that the perpetuation of the present conflicts could bring about. We are concerned too, because of our 20-year exposure, as members of supervisory and control mechanisms authorized by the international community, for the aspirations of the peoples of Vietnam, Laos and Cambodia for justice. After a quarter of a century of strife, those aspirations have still not been fulfilled. And, finally, we are disturbed by the evident failure of existing international machinery to prevent the recurrence of violence and warfare.

I do not wish to rehearse in any detail the causes of the current confrontation, some of which are centuries old, others of more recent vintage, but all well known to the members of the Council. What is more important, and what made it imperative for the Security Council to meet, is that the Charter of the United Nations, in its very first article, declares, as one of its main purposes, the duty: "To bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace".

The Charter also makes clear that it is the Security Council that bears the primary responsibility in this regard. It is, therefore, the duty of this Council not only to review the facts of the present crisis but — what is more important — to consider practical measures that can help to defuse the situation and, in time, restore peace in that long-afflicted region. The facts are well known. The military movements across international borders and the continued armed confrontations between large forces are not denied. The resulting human suffering and economic losses are self-evident.

My country deplores the increasing resort to the use of force that we have been witnessing in the attempt to settle disputes in Southeast Asia, and we call here, as we have publicly and through diplomatic channels, for the exercise of restraint on the part of all those involved.

Beyond that, it should be evident that the first essential step to be taken by the

Council must be an immediate cessation of hostilities in the entire region. Secondly, this must be followed as rapidly as possible by the withdrawal of all foreign forces from the territory of Cambodia and from the territory of Vietnam. And, thirdly, it is equally clear to my Government that we must move the treatment of these differences from the military to the political level. In other words, it is our earnest hope that the Council may be able to proceed beyond the essential first steps of a military cease-fire and withdrawal to a consideration of practical ways and means of developing, in an orderly fashion, a climate conducive to peace, security and stability not only for the nations directly involved in the conflict but also for their neighbours and the world at large.

But it would be a serious mistake to concentrate only on the current outbursts of violence and ignore the other ills that have plagued this region for so long. Canada has raised its voice before to deplore the denial of human rights in parts of that region. Canada, like many other nations, and in particular the countries neighbouring that region, has been shocked by the continuing exodus of thousands of refugees who have been forced for a variety of reasons to flee their homelands. We have tried, and are continuing to try, to alleviate this problem. But more sweeping measures must be taken if we want to stop violence, prevent the denial of human dignity, and alleviate the conditions that have driven human beings to join the flow of refugees. The peoples and governments of Vietnam, Cambodia and Laos must be given more than sympathy or remonstrance. They must be helped to develop the political framework within which they will be able to live in peace and security. The peoples of the countries of the Association of Southeast Asian Nations (ASEAN) must be given more than *ad hoc* humanitarian assistance and vague reassurances. They are entitled to long-term stability and the international community would be well advised to help them to achieve it.

In Canada's view, therefore, the Security Council and the United Nations as a whole must urgently consider what modalities might best be established to achieve these long-term objectives. We know of past efforts to bring peace to the area. We also know of past failures, and we should be the last to underestimate the difficulties that will lie in the path of such a conciliation endeavour. But this effort must nevertheless be undertaken and, with will and determination, the countries directly involved, the neighbouring nations directly affected and other interested powers should be able to assemble in an appropriate fashion in order to create conditions of peace and security for the entire region. In our view, the Secretary-General is well placed to play a useful role in this process, and we urge the parties to take advantage of his offer to assist.

Against the background of what I have said already, we entertain the hope that the Security Council may invite the Secretary-General informally to explore possibilities that may be open and acceptable to those most directly involved for a political meeting that would aim at translating into mutually-acceptable political realities the issues of contention that are today the basis of unacceptable military action, which must come to an end.

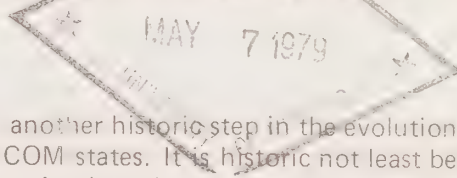


Statements and Speeches

No. 79/2

CANADA AND THE STATES OF THE CARIBBEAN COMMUNITY

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, on the Occasion of the Signing of the Canada/CARICOM Trade and Economic Co-operation Agreement, Kingston, Jamaica, January 20, 1979.



The signing of this agreement is another historic step in the evolution of relations between Canada and the 12 CARICOM states. It is historic not least because the agreement once again sets a precedent in the relations each of us has with the world at large, a precedent first set well over a century ago. At that time, what was then the Province of Canada sought to negotiate a preferential tariff with what were the West Indies. And, not so long after, the Honourable George Foster, a minister in the first Government of Canada, as it is now constituted, visited the Caribbean region. This was the first direct government-to-government contact seeking to promote economic relations between our respective states. Since then, the economic relation between us has broadened and deepened, though outside events occasionally have had a negative effect.

Against this historic background, the conclusion today of the Canada/CARICOM Trade and Economic Co-operation Agreement thus becomes a moving and an exciting experience for a Canadian, as it is, I am sure, for my CARICOM colleagues charged with responsibility for their governments' external relations. The agreement is one between a concerted group of Commonwealth Caribbean states and an independent Canada. It is a successor to the 1925 agreement, which governed our relations for more than half a century. But times have changed. Long gone are the days of "wood, wind and water" in which Canadian timber and fish — much of it from my own Province of Newfoundland — were traded for the rum and molasses of the Commonwealth Caribbean. That earlier agreement served us well. During the past 50 years, varied and solid commercial links have emerged. Transportation modes have greatly developed. The movement of peoples has intensified; and despite world war and other international tensions, we continue not simply to share but to build our future on the rich language and heritage we jointly have from the past.

To some extent, what we are signing today is no more than a new and up-to-date framework with which to surround a productive set of exchanges already "in place". A good deal of the commercial content provided for by the new agreement exists. Nevertheless, the agreement is essentially a forward-looking one. It places heavy emphasis upon developing what are real and important prospects for industrial, technical and financial co-operation between us. Thus it does reflect the needs of the signatory states to define anew their relations, and to do so in terms of the rapidly-changing international economic environment.

We live in a world in which economic relations are not measured in terms of trade-flows alone. Rather, we look to the more complex connections created by investment-

flows, development assistance and the transfer of technology; and we recognize that, while governments as such can create conditions conducive to trade, investment and the like, ultimately the real content of our economic relations is the product of decisions and actions by individuals and organizations within our societies.

By mutual agreement, then, the intent of this new arrangement is to establish a flexible instrument, one that can meet changing needs in the future and not simply define in legalistic fashion the state of our relations at this moment. Moreover, it is an expression of political will and not just a contract between governments.

Indeed in this respect we are seizing this occasion to exchange letters that amplify this political will in a number of respects. Specifically, for example, we are making [it] clear that the Canadian Government stands ready to consider appropriate amendments to the agreement in the event that its terms require adjustment to take account of any new internationally-accepted trading arrangements for developing countries.

We have also undertaken that, where feasible of course, we shall consult with CARICOM in advance of any changes in existing Canadian tariff margins of preference affecting CARICOM interests. Our partners in the agreement have undertaken to do likewise with us in respect of changes in their trading systems. The exchange of letters also makes [it] clear that our co-operation with CARICOM on a regional basis — utilizing, for example, the facilities of the Caribbean Development Bank —, need not detract from the totality of Canadian bilateral assistance to the region.

I said that we take a broad view of this new agreement. It is precisely because of this that I am accompanied today by members of Canada's Parliament, both Government and Opposition parties. This is a mark of the broad significance we attach to relations with CARICOM states.

The agreement, however, is much more than a broad and general framework for the future evolution of Canada-CARICOM ties. It breaks new ground in a number of specific areas, particularly with respect to industrial co-operation. This is a facet of international economic relations of overriding importance in the world today, although the conception that underlies it is relatively new. Indeed, Prime Minister Trudeau, at the Commonwealth heads-of-government meeting in 1975 here in the Caribbean, proposed — and other Commonwealth leaders agreed — that a special study of industrial co-operation be undertaken to encourage the development among Commonwealth members of this mechanism of particular relevance to the developing world. In the same spirit, the agreement we are signing today has a separate protocol on industrial co-operation that we hope will lead quickly to increased transfers to CARICOM states of human and other resources so necessary to continuing progress in the development and diversification of your economies and of benefit in strengthening and improving our own economy.

Our first step, as the protocol indicates, is for governments to identify those sectors in which investment and technological transfers are desired and necessary from your point of view and where corresponding Canadian capability exists. Ultimately, though,

the procedures envisaged will lead to direct communication and contact between the Canadian private sector and potential users within CARICOM. That is our mutual goal. Precisely because it is the private sector in Canada that eventually must undertake the industrial co-operation this agreement provides for, I am also accompanied today by senior executives of a number of Canadian companies with interests in finance, manufacturing generally, food-processing and the like.

Of course, Canadian business is not new to the Caribbean. Several firms represented here today have been well-established in the region for many, many decades. Looking ahead, however, if we are successful in promoting industrial co-operation as we wish to, a whole host of new kinds of activity in the region, undertaken jointly by Canadian and CARICOM interests, is easily imaginable. There is surely scope for such co-operative ventures in agriculture, fisheries, light manufacturing, such as furniture and housing components, trade, and various financial and other service industries — provided that, on both sides, governments create the conditions in which Canadian private enterprise will feel that such industrial co-operation here is attractive and worth while to all.

In Canada, we are elaborating at the present time the kinds of economic development policy appropriate to the 1980s. We are doing so not simply to respond to the economic difficulties the world has known over the past few years but rather because we recognize, as do others, that international competitive forces are shifting, and new strategies are needed if we are to enjoy satisfactory and stable economic growth in the decade ahead. This agreement I view as one of the instruments we need in meeting the increasingly-competitive challenges of the 1980s.

You, too, are giving greater precision to your development plans. Together, we should lose no time in putting this agreement into practice. I want to propose to my CARICOM colleagues, therefore, that the first meeting of the joint committee provided for under this agreement be held in Canada within the next couple of months, so that it will begin to attempt to identify individual sectors and opportunities for possible industrial co-operation. I should hope that the committee could meet again within, say, 12 months, perhaps this time at the ministerial level, to provide such impetus as is necessary to permit co-operative ventures inspired by this agreement to proceed.

I referred earlier to the historic nature of this agreement, and have mentioned some of its more immediate consequences in bilateral terms. In this context, the agreement goes beyond traditional forms of development assistance; and it is novel, I suggest, in the way in which it is intended to support CARICOM objectives of regional economic integration. Moreover, the agreement is, I believe, the first of its kind entered into by CARICOM with an individual country; and it is a first for Canada in that it deals with a group of states of the developing world. For all these reasons, and given the importance attached by both of us to the "North-South dialogue", we take pride, as I hope you do, in initiating this new form of co-operation.

It comes at a time, of course, when the world at large is focusing more attention on

the Caribbean. A most conspicuous recent example was the launching of the Caribbean Group for Co-operation in Economic Development, associated with the World Bank. This group, which met first in Washington last June, was successful not only in attracting new outside donors but also in providing greater precision on the needs of the region, as seen by Caribbean governments themselves. As a result, informal co-ordination of the efforts of those within the Caribbean and those outside will now be undertaken to promote economic development of this area in a more orderly and effective fashion.

In many respects, Canada's motivation in signing this agreement today is the same as that which inspired our participation in the Caribbean Group in Washington. Our interest in the economic progress of Caribbean states, both Commonwealth and non-Commonwealth, has been evident in the past; but we want to confirm that this interest continues and our new agreement does just that.

The agreement comes as a number of new island nations enter history. Dominica recently attained independence, and I take this occasion through my colleague from Dominica to wish the people of his country happiness and prosperity for the future. Several more Commonwealth Caribbean countries will emerge shortly.

Independent they are, or will be, as is Canada, but we are all linked through our Commonwealth association. This association provides an added reason why Canada looks forward to closer co-operation with CARICOM governments in future. We accept, as Commonwealth countries, that we must share, contributing as we can, in the resolution of difficult world problems affecting all of us.

I have had occasion during the past year to meet with my CARICOM foreign minister colleagues, in New York and elsewhere — including this morning —, to exchange views on such difficult international questions as southern Africa, on such common problems as the law-of-the-sea negotiations, and on mutual objectives in North-South discussions. In the broadest international sense, then, agreements of the kind we are signing today both bolster and contribute to the sense of solidarity that binds Commonwealth members.

At a different level, that of the individual, this agreement will, I think, be particularly welcome to what is now a large and growing segment of Canadian society — those of Caribbean origin. Some 15,000 or so immigrants from CARICOM states have entered Canada in each of the last few years. They enrich Canadian society beyond the weight of their numbers, and I am pleased that there is now a new formal yet flexible tie between their new and their old homelands.

There are other people-to-people links between CARICOM and Canada. Students from the Caribbean have found a welcome in Canadian universities, and as a result have developed ties with Canada of a lasting character even though they returned to take their place in your societies. And Canadians migrate seasonally to your beautiful beaches and countryside, sometimes comprising the largest segment of your tourist population.

To return to our bilateral economic relations as such, there have been significant developments of late. In 1977, for example, trade between CARICOM states and Canada was just about in balance for the first time. Let us hope that, through the trade- and industrial-co-operation aspects of this new agreement, we shall move forward to new and balanced levels of economic co-operation in the broader and more complex sense I earlier spoke of.

A century ago, when Newfoundland fish moved south and rum was the principal good moving north, the ties we had were very important to both of us. Today, while trading patterns have greatly changed, there is no strain in our relations. Nor does this new agreement constrain our separate relations with the rest of the world. On the contrary, it can help us both obtain the wider window on the world that is essential today. In the current international economic climate, which is by no means as salubrious as your atmospheric climate, we must all diversify our economic relations, we cannot turn within.

What better choice can Canada and CARICOM states make in such circumstances than to strengthen existing ties of friendship, tradition and commerce between them? I believe this agreement will be an important step in such a natural process.

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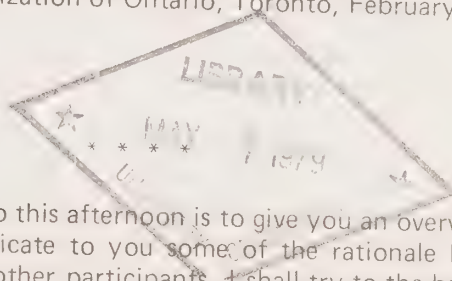


Statements and Speeches

No. 79/3

A CANADIAN VIEW OF THE MULTILATERAL TRADE NEGOTIATIONS

Remarks by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Young Presidents' Organization of Ontario, Toronto, February 5, 1979.



What I thought that I might do this afternoon is to give you an overview of the situation as it currently exists, indicate to you some of the rationale behind not only Canada's actions but those of other participants. I shall try to the best of my ability, and with a rather obscure vision in the crystal ball, to indicate where I think GATT negotiations and various related issues may take us over the next decade or so.

First of all as to timing. We are now getting down to the point where I think it is possible to forecast that we shall have a general agreement wrapping up most of the elements of the multilateral trade negotiations this spring. The date that is being aimed for is some time in April, and it looks now as if that will be met. There are a great many, of course, last-minute and very important details still to be ironed out, but I believe that it is fair to say that the general direction of the negotiations is now becoming clearer and at the very least we have been able to identify some of the major issues that remain to be resolved. One of those is, of course, very much a factor in whether or not that agreement comes in April, and that is the ability of the United States Administration to persuade Congress to extend the limitations that were imposed almost arbitrarily last year because of the conditions of American law with regard to the countervailing duties. You may recall that, just before Christmas — indeed, back in November and prior actually to the Congressional elections in the United States —, the waiver provision that the American Administration had with regard to certain countervails actually expired and Congress adjourned without having dealt with it. We have succeeded through a great deal of very delicate negotiation in "putting in place" the mechanism for keeping it from being harmful in the interim, but the European Community and ourselves have made it very clear that we shall not proceed on to the major body of the MTN and the completion until such time as Congress reimposes (or *restores* is perhaps the more appropriate word) the various capabilities of the Administration with regard to countervail.

...Obviously, in negotiations, as you gentlemen in your business capacities will know, it is not wise in a period such as this to, in a sense, "tip your hand". I can, I believe, give you some background that will be helpful...

Basically, of course, before we start talking about what the MTN are going to do, we really have to understand what they are and there are times when I encounter a fair amount of confusion not only in the business community but in the country at large and, in fact, in some areas of government and provincial governments as to just what is involved here. Actually, it is not a new exercise. It is not a unique approach that is

being taken. This current round, which is referred to as the Tokyo Round, is the seventh set of negotiations that has taken place since 1948. The postwar period has seen a progression of international negotiations, primarily (up to now) designed and centred upon tariffs and the reduction of tariffs. That has been the principle ingredient in the six previous sets of negotiations. The present one is far more comprehensive and therefore far more important in many respects, although I should not want to diminish at all the effectiveness of what has been done in the last 25 years. I think many of you as businessmen will acknowledge that, had we not had this new approach (a slow and faltering one to begin with, but nevertheless a new approach over this last quarter-century), then world trade probably would have been much more disrupted than it is at the present time. And, so far as Canada is concerned, I believe we can look at the past 25 years and indicate that the predecessors of MTN have all been very helpful in giving to Canada a better trading environment and better opportunities overseas. This time we have gone considerably beyond a mere discussion of the negotiation of tariffs. That continues, of course, to be a pivotal and central part of the negotiations. But, in addition to that, there have been other factors added — among them, for example, some mechanism for dealing more effectively with what have come to be called non-tariff barriers. If any of you have had the experience of seeking to deal with many foreign countries (indeed, in some respects, in dealing as closely as with our neighbour in the United States), you will know that there are many occasions when the tariff has not proved to be as much of an impediment as some what have come to be called non-tariff barriers. The Japanese market, in particular, I suspect, is probably the most dramatic example of how non-tariff barriers can be a prohibition to a freer sort of trade environment. And so, therefore, a great deal of emphasis is being placed in this round of talks on normalizing and, in a way, legitimizing the whole question of non-tariff barriers and of trying to achieve what is really the second objective to which I want to refer, and that is a more orderly and stable world trading environment.

The biggest difficulty in many respects in the past (and particularly over these last four or five years) has been that businessmen and governments have never been quite sure, in terms of introducing new policies or, in the case of business, undertaking new and aggressive sales techniques, whether the ground-rules were, in fact, going to be changed in mid-stream.

This has been especially true in a lot of the markets to which we in Canada have been looking under what has come to be described as the Third Option. We, of course, are referring in that context to the European Community, to Japan, and particularly to some of the emerging countries. In virtually all of these, there has been a good deal of uncertainty about what non-tariff barriers are likely to do. One or two examples from our experience in Canada are obvious and I suppose the one that comes most readily to mind is the Michelin case in Nova Scotia, where a whole question of governmental assistance for regional economic development was called into question by the action of the United States under what might be described as a non-tariff barrier item. And, as a result of that, for these last three or four years (although I have to say that the American Administration has been co-operative), it has always been hanging over us, this question of whether or not, once a grant was provided for a company to locate in

one of the under-developed parts of Canada, ... this grant might, in fact, be taken into account in establishing tariffs or, in some way or other, moving in a protectionist direction. And so I repeat that the objectives beyond tariffs in these negotiations are, Number One, to deal with the whole question of non-tariff barriers and more broadly to try to get more of a sense of security for the next decade or more in the sense of your dealings with foreign markets and the like.

The second point that I think is important to bear in mind with regard to the current set of multilateral trade negotiations is the climate in which they now find themselves. They began, of course, in 1973 and, as all of us know (you businessmen in particular), 1973 bears very little resemblance in terms of the business climate to 1979, if for no reason other than the energy crisis that has intervened and a whole series of other developments such as some strains of considerable proportions on the world monetary system and the like. And so, therefore, there have been, particularly in the last three or four years, pressures (and certainly criticisms) that this whole round of tariff negotiations ought to be either shelved or diminished in its importance because of the current economic situation. Well it was our view, shared by all the industrialized countries of the world, that the exact opposite was, of course, the necessity — namely that, given the precarious nature of the world's economic situation, if there was not to be a determination and a strong commitment towards tariff reform and the various other matters to which I have referred, then the inevitable development would be an almost irresistible demand, in country after country, for more protectionism. This was the pattern back in the 1930s, when all saw the effects of the "beggar-my-neighbour" kind of approach to things. So it was why at the London "summit" in 1977, and again at the Bonn "summit" in 1978, the leaders of the seven major industrialized countries, including Prime Minister Trudeau of Canada, reaffirmed their commitment to comprehensive MTN and also to meeting the deadlines that we had set for ourselves as a counterweight to what was emerging in all of our countries, including Canada, as a perfectly obvious tendency towards greater protectionism.

In the Canadian context, of course, we have had particular problems with regard to protection and various demands of industries for greater shelter or for a greater degree of protection in one way or another from imports. And I should say, in this regard, that, while we are seeking through the MTN the kind of more secure and open world-trading environment to which I have referred, no country, least of all Canada, is going to take the position that we are totally devoid of any appropriate or entirely legitimate right to protect industries or sectors that are suffering or are threatened by excessive imports or, indeed, by inappropriate exporting techniques by other countries. And so, therefore, we have quite legitimately, under the existing GATT rules, moved in these last few years to protect some of our particularly vulnerable industries — two of which coming to mind, of course, right away being textiles and footwear (but there have been others as well). On the whole, however, I think a case can clearly be made that Canada is a country that would suffer most of all if there were to be an enormous increase in the tendency towards protection, particularly in our largest markets and those that are now rapidly developing.

By the way, I may say parenthetically that another objective of the MTN is to look at this immense problem, and at the same time opportunity, that is created by what has come to be called the "North-South dialogue" — that is, the relation between the developed and the developing world. This round of tariff negotiations, as opposed to the other six, is unique in the sense that it is seeking, at least so far as it can, to accommodate some of the legitimate aspirations of the developing countries. And perhaps, while I'm on that subject, I might elaborate slightly by saying that we in this country (and I believe this is true of most enlightened people in the developed world) do not regard our assistance to the developing world as being something of a charitable kind of gesture.

One of the problems in the developing world is that, first of all, although they refer to themselves in a sort of cohesive way as the Group of 77 or some other designation, there is a vast difference in the economies let us say of Brazil, on the one hand, which still regards itself as a developing country, and Tanzania or some other African country, on the other. So, therefore, it is exceedingly difficult to draft any one cohesive set of policies that is responsive to all of those needs at the same time and, of course, they are discovering even among themselves these days that what they have been seeking with regard to, for example, commodity agreements or some assurances with regard to basic prices for raw materials don't always fit into the same pattern. There is, I repeat, a big difference between a single-commodity country that is producing only cocoa or coffee or some other raw material such as that, and a country that has a very diversified base, such as many of those that are emerging in Latin America. So, consequently, when we hear and see the various declarations made at meetings of the United Nations Conference on Trade and Development and other organizations that seem to suggest that there is a solidarity and a single point of view within the developing world, I can assure you now, from very wide experience, that this simply is not the case. You will find that some of the countries now emerging that have oil reserves and have suddenly discovered that they have a good energy-base are now taking a second look at whether they ought to, for example, indulge in the business of debt-forgiveness, because, instead of being debtors, on the one hand, they are starting to be creditor countries so far as some of their neighbours and others are concerned, and so no simple formula exists to deal with them.

There is another point that perhaps is worth mentioning because each one of these things leads to another. It is a matter of great interest to us in Canada whether or not we can introduce into some of these developing countries forms of our technology and our expertise that are somewhat "off" the difficult industries that we have in Canada. One of the natural tendencies, for instance, in developing countries almost invariably is to say "we will get into textiles". It is a comparatively simple exercise for them, on the one hand. It is a large employer of labour and therefore there is a growing trend for people in these countries to say "well that is going to be our industrial base". I have to caution time after time after time that, in fields such as that and in fields such as leather and footwear and many others that I could mention, that is not the wise course to go. Indeed, it is interesting to note that some of the developing countries are now finding that they are being pushed in those particular areas (Hong Kong being a classic example) by even less-developed areas such as Singapore

or Malaysia or South Korea or some other region that is now actually providing very serious competition in the textile field for even another developing area. And so part of our strategy round the world has been to try to direct developing countries first of all into the kinds of industry that won't be head-to-head competitors with us in Canada, and, secondly, those where we have a capacity to supply them with the technology, with the equipment and the like that will get them into that particular kind of business. Clearly it is not an easy task, but it is one, I think, on which we are getting some focus and a considerable amount of experience in the business community. For example, we invite them to and they participate in various trade missions.

The third element in this is, of course, terribly important for us in Canada, and that is the dichotomy that exists in a nation such as ours, which is at one and the same time a developed and a developing country, a country of high technology, on the one hand, but a large producer of raw materials and natural resources, on the other. I say that it is a problem for us because, as you will have noted, in perhaps the last six months or so a new kind of discussion, and even debate, has begun in this country, one in which I hope that groups like yourselves will engage in an analytical kind of way and give us the benefit of your judgment. The Export Development Corporation is something the Government of Canada has been employing with considerably more usefulness over the last decade or so in support of Canadian industry, and particularly in support of Canadian high technology and machinery manufacturing. Now one of the problems we have here is, of course, that many of the things we produce (and I shall use pulp and paper as an example) are machines developing countries wish to buy from us, including the technology that goes with them, so that they can in turn produce various paper products. Consequently, we have clearly a tug-of-war within Canada between those who are manufacturing pulp-and-paper machines or logging machines or whatever the case might be in order to capitalize on those markets, and those within the country who are actually producing pulp and paper or raw materials of one kind or another, such as copper, and who say: "Well, this is ridiculous, because all you are doing in a way is creating new competitors for us overseas". The short answer, of course, ... is that we are not the only people producing that kind of equipment and therefore it is not a matter of whether Czechoslovakia, for instance, is going to go into the business of producing pulp and paper — they are going to do that regardless. The question is whether they are going to get the equipment with which to do it from us or are they, as was the case there, going to get it from Austria or from France. We happened to beat them out on that particular order and we have in a number of other areas as well. But, really, I am being diverted to some extent from the MTN; but I did want to sketch in some of the elements that are involved in terms of what our negotiators and we who try to plan the strategy have to bear in mind.

Now so far as the MTN themselves are concerned, and to return to some of the goals that we hope will come out of it, one is one that I have already mentioned to you — namely, a more secure environment. But, clearly also, it is inevitable that there will be within Canada companies, and perhaps regions, that will not be able to make a total adjustment to the new scheme of things. The adjustment, of course, I should emphasize, because once again it is not, I believe, fully understood that it is not going to

occur overnight. In other words, what is really being aimed for is a transitional period of about eight years starting around January 1, 1980, so that the total implementation will not occur until close to the end of the next decade. So no one, or scarcely anyone I should expect, is going to be seriously affected (that is, in Canada) in the first year or so of this kind of operation. But there will be some, and therefore a part of this exercise had to be the setting-up of forms of adjustment-assistance, some manner, in which those organizations, those companies, that clearly are going to be damaged in terms of the present scheme of things would be able either to move to different kinds of products or to adjust to new competition and a variety of things of this sort. So, simultaneously with the actual negotiations, we have been, as a Federal Government, in co-operation with the provinces, seeking to "put into place" these kinds of transitional-assistance programs, built on top of, I might say, many that are already "in place". But even there, of course, it is probably overstated in some respects — that is, the impact negatively that the MTN are going to have. Because, in addition to having their equipment and their original capital "inputs" reduced in price because of a reduction of tariffs and the like, we should also expect that many of our Canadian producers would be able to reach out into a wider market than merely the Canadian domestic market. It clearly won't be possible for everyone, but here let me point out a phenomenon or a strange situation in the way the world system is evolving in which Canada finds itself.

We are one of the six or seven most highly industrialized countries in the whole world. That, I think, can be measured by any yardstick you wish to employ. But we are the only country now that has a comparatively small domestic trading-base. If you look at the developments of the past decade, it is perfectly obvious that, first of all of course, by the natural size of it, the United States has an enormous domestic base. I just happened to hear on the radio coming in from the airport that they "hit" 220 million people as of this day. We know also that the European Community has come together in what is essentially a kind of customs alliance so you have a common market there of the same or larger size. Similarly, Japan, with its large consumer demand, is in the order of 100 million people, and we have noted also in the developing world such evolving organizations as CARICOM in the Caribbean, where there is a common market emerging between all of those countries — not big, it is true, because they are sparsely populated. And Southeast Asia, which puts together perhaps another 200 million people in what will eventually be a common-market kind of trading relation. So here we have Canada, with 10 per cent, give or take a few, of the United States population and perhaps the same in relation to the European Community, as a domestic base seeking to compete in this new and highly-competitive world in which we are living. Now clearly two things, it seems to me, have certainly seemed to our negotiators to be self-evident: one, that any kind of protection leaves us highly vulnerable, as I said at the outset; secondly, that we must expand beyond our 22-million domestic market if we are going to really maximize the opportunities that the new MTN create for us. That is not going to be easy and I should not want to oversell the MTN or at the same time diminish their value. They are in many respects a "catalyst" around which we (and I mean governments and the private sector) are going to have to construct a strategy, whether one wants to call it an industrial strategy in the singular as some people are prone to do. Some people are inclined to

state critically that perhaps we don't have an overall single strategy.... I am not sure but, one way or the other, what we have to do is to see the MTN as a potential benefit. Even when they are completed by themselves they are not going to really solve anything for the business community. They will simply put opportunities "in place", so the question is how do we exploit them best? And, when you see those figures to which I referred a few moments ago, it seems to me that the logical course for us to pursue is to ask ourselves how can we gain access to that broader market that is going to be opened up for us? Because the alternative of protection is simply no alternative at all.

So what we are anticipating is, therefore, that, within the next six to eight weeks or so, a package will have been put "in place". It will be in all respects — I believe the word is *ad referendum* — in the sense that it is bound to require rationalization or ratification rather by governments and various other political bodies. But that will be the situation as of, say, April of this year. If it is accepted, what we will have put "in place" is a better and a more secure kind of trading environment, with many opportunities and some challenges in terms of certain existing industries that will have to get some form of help or transition and the like. Then, in addition to that, there will be an element, I should hope, in there that will offer some encouragement to the developing countries. No group can ever expect to get out of negotiations of this kind everything that it wants. Certainly the developing countries are more aware than they were even a couple of years ago that there are limits to how much we can do in the industrialized world at this time until our own economies are in a more healthy state, and so, therefore, there is bound to be some disappointment that we have not gone far enough. But I do want to emphasize once again that MTN are only a small part of the "North-South dialogue". There will be these opportunities created in both the developing and the developed world as a result of the processes that I have outlined. Then, beginning next year, the various reductions and changes will start to have their effect. There will obviously have to be much consultation, both with provincial governments and also with sectors of industry, and I have no doubt with individual industries, not only to make them fully aware of the opportunities and the like that have been put before them but also to let them "flag" for governments where they see the problems as well as the opportunities. I don't believe that, given as complex an exercise as this and given the kinds of mixed economy round the world, with which we have to deal, that we can say that this is either a governmental exercise or a purely private-enterprise exercise. There must be the maximum amount of co-operation between the two for the benefits to be fully achieved and also for the dangers to be minimized as much as possible. There is also, of course, something else, which in the short run is something that has to be taken into account when looking at MTN, and that is that what we are talking about here is something that is going to be "in place" for at least a decade before another review starts, which seems to suggest that we are probably talking something close to the end of this century before there is a full impact of yet another round. In the meantime, we do have a situation in terms of the world monetary situation and the relation of our own Canadian dollar to other currencies that can indeed have a considerable impact on our abilities to export or our problems with imports, which goes over and beyond the tariff negotiations. So there

may be a tendency to say: "Well, look, really, MTN are not all that important in the kind of trading milieu in which we now have to find ourselves". My response to that is, of course, that we must press on with both the MTN, on the one hand, and the development of more stability in the world monetary situation than we have at the present time. In other words, one is not an alternative to the other and, if the dollar were to rebound, as I am sure it will over time, and we didn't have a good farsighted approach on MTN, then we should not be in a position to take advantage, and indeed we might well lose a good deal of the advantage many of our exporters have now as a result of the devalued Canadian dollar.

Well, this is, then, a broad outline and left out, of course, a tremendous amount of detail because it would take altogether too long.... I myself shall be more than pleased in either private conversations or from the podium here to try to explain in more detail some of the things that I have mentioned, but in the last analysis the MTN are really one more weapon in our arsenal. We have, I have no doubt at all, the capability within this country to develop a strong industrial base, to develop a healthy economy in the long term. Incidentally, if I can paraphrase Churchill, I think he once said, when addressing the United States Congress, that if his father hadn't been British he might very well have sat there in the Congress as a member himself because his mother was an American. Well, if I hadn't 12 years ago been diverted the other way, I might well be down here in the audience in the same kind of category that you are, except that I don't think I could any longer qualify for the designation young, but the truth of the matter is that I have had myself a fair amount of experience. I have had the difficulties and the great satisfactions of running businesses. I know myself how important it is that there be the stability we are talking about, and I have no hesitation in saying either that, in the last analysis, it is really going to be more the decisions you make with the tools that government puts at your disposal that will make the difference rather than anything that governments can do on their own....

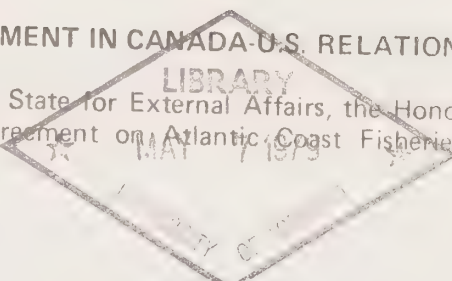


Statements and Speeches

No. 79/4

AN AUSPICIOUS DEVELOPMENT IN CANADA-U.S. RELATIONS

Remarks by the Secretary of State for External Affairs, the Honourable Don Jamieson, in Announcing the Agreement on Atlantic Coast Fisheries and Boundaries, Ottawa, February 14, 1979.



On this occasion, I wish to release a joint statement by myself and my colleague Cyrus Vance, and to comment on an auspicious and promising development in Canada/U.S.A. relations. Before doing so, it may be useful to give some background by way of introduction. In doing so, I shall make no secret of the fact that the two agreements I shall be discussing are of a highly technical nature, but I shall try to convey to you, and through you to the public, my own understanding, as a non-expert, as to the outcome of long and complex negotiations.

Urgent problems between Canada and the U.S.A. on maritime boundaries and fisheries arose with the extension by both countries of fisheries jurisdiction from 12 to 200 miles early in 1977. The extension of jurisdiction created two distinct problems. The first was how to draw boundaries between the fishing-zones of the two countries and how to deal with fishing in the disputed areas pending agreement on boundaries. It was agreed by both sides that these boundaries would apply for all purposes, including delimitation of the continental shelf. The second problem resulted from the fact that large areas that had previously been high seas, and in which both countries had fished, now fell under the exclusive jurisdiction of either Canada or the U.S.A. This raised the question of whether fishing by one country off the coast of the other should continue and, if so, under what kind of arrangements.

Secretary Vance and myself agreed that, in order to maintain and promote good relations between our two countries, it was important that these issues be resolved as quickly as possible. We therefore appointed two special negotiators, Marcel Cadieux on our side and Lloyd Cutler on the U.S. side, who were mandated to look into these questions on an urgent basis and to make recommendations to the two governments as to how they could be resolved. We had first hoped that these negotiations could be completed within a matter of months. As you know, it soon became clear that this would not be possible because the economic interests involved were substantial, the legal and resource issues were very complex, and careful consultation was required with interested groups in both countries, including the provinces and states.

In October, 1977 the negotiators made an initial report to governments in which they recommended the machinery and general principles for the management of fish-stocks of common concern off our coasts — in particular the establishment of a Joint Fisheries Commission.

Although it was then hoped by both governments that we could work out a global agreement encompassing fishing arrangements off the east and west coasts and the

settlement of the contested maritime boundaries, it gradually emerged that, because of the large size of the disputed area and the very substantial economic and social implications, the problems on the east coast were more likely to be amenable to agreed solutions. Accordingly, in the last few months, the negotiators have concentrated their efforts on the east coast problems.

The result is two recommendations, which have now been accepted by both governments. One is that the maritime boundary in the Gulf of Maine/Georges Bank area be referred to binding third-party settlement procedures. Details of the third-party process such as the forum, its composition and the particular procedures relating to the case to be submitted to the court or tribunal will have to be worked out in further negotiations, which are now being undertaken on an urgent basis and, indeed, have already achieved a good measure of success. The negotiators have also recommended, and the governments have approved, a permanent Atlantic Coast Fisheries Agreement. Full substantive agreement has been reached on the three basic issues relating to fish-stocks of common interest:

- (1) the management regime;
- (2) the entitlement or share which each country will take; and
- (3) the area of access.

It still remains, however, for officials to put this agreement in final, treaty language, and this task is also now being undertaken as a matter of urgency.

It is hoped that the two treaties, the one on the third-party settlement of the boundary and the other on fisheries arrangements, will be completed and ready for signature, if possible by the beginning of March.

On the west coast and the Beauford Sea, it does not appear likely that early agreements can be reached on the settlement of the boundaries. However, these questions will continue to be addressed. In the course of their numerous meetings, the two negotiators have also been concerned with Pacific-coast fisheries issues, and the field has been fully and carefully explored. It even looked, a few months ago, as if an agreement could be reached, but after careful consultation with the interested groups it turned out that this was not possible.

For the past several weeks, we have been discussing with the U.S. side the resumption of Pacific-coast fisheries negotiations. The need for a Pacific-coast agreement has been stressed repeatedly by Mr Cadieux, as well as in other high-level contacts with the U.S. Administration. As a result, meetings have been arranged for later this week, to take place in Juneau, Alaska, in order to define and articulate the maximum areas of agreement that may be possible. It should be clear, then, that by reaching agreement on the Atlantic coast we are not in any way abandoning our efforts to reach a fair and balanced agreement on the Pacific coast that will also serve our respective national and joint interests.

If we can now reach agreement on the two Atlantic-coast treaties within the desirable

timetable (and this will be no easy task), I shall be satisfied that our decision to negotiate solutions to our disputes was a sensible one and that the results are equally advantageous to both countries. My hope now is that our respective countries will confirm the judgment of the two governments as to the satisfactory and acceptable nature of the outcome.

In reaching these agreements, I should like to acknowledge the support and active personal involvement of my colleague Cyrus Vance, without whose commitment to a successful conclusion of these negotiations we should not be in a position to make this announcement today.

S/C



Statements and Speeches

No. 79/5

CURRENT ISSUES IN CANADIAN FOREIGN POLICY

A Statement by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the House of Commons Standing Committee on External Affairs and National Defence, Ottawa, March 8, 1979.

We face a complex and challenging agenda in the management of Canada's foreign relations. The world seems to be going through a period of rapid political and economic change with profound implications for all of us. I shall briefly set forth some foreign-policy issues that engaged the efforts of my department and others during 1978 and will test our talents and resources during the coming year.

The search for peace

(a) Vietnam, Cambodia and China

There has been a dangerous deterioration in the situation in Southeast Asia during the past year. The increasing resort to armed force is a cause of serious concern. We first witnessed the invasion of Cambodia by Vietnam, and the toppling of the Pol Pot Government in Phnom Penh. Whatever may be thought about that government's human-rights policies (and I have condemned them), Vietnam's use of force to change the government in Cambodia and to establish control over it was unacceptable. This action seriously destabilized the region.

We regret that the position of the Soviet Union prevented the Security Council from coming to grips with this situation, which was aggravated in late February when China's military forces entered the northern part of Vietnam. This action led to a further increase in political and military tension. We made high-level *démarches* in the capitals concerned and actively supported efforts towards a political solution in the Security Council or elsewhere. It is encouraging that the Chinese have now announced their intention to withdraw from Vietnam, but we must not underestimate the problems remaining to be settled between China and Vietnam when military activities have been terminated. The ultimate aim must be the achievement of reconciliation and peace throughout the area.

(b) Southern Africa

Canada has taken a leading role in concert with other major Western countries in pursuing peaceful solutions to the racial and decolonization problems of southern Africa. The Secretary-General has now proposed the implementation phase of a Western-authored plan, which was endorsed by the Security Council, to bring Namibia to independence. The plan involves the establishment of a military and civilian peace-keeping group to supervise elections. Active discussions on how to implement the plan are taking place. Canada is also prepared to lend whatever support may be appropriate to continuing, but so far disappointing, efforts to resolve the long-standing Rhodesia issue. As for South Africa, the Government continues to keep its policies under review, in particular those affecting commercial relations. We are especially

hopeful that Canada's opposition to *apartheid* and its support for racial equality can be underlined in practical terms through growing realization of the objectives of the code of conduct issued last April on employment practices for Canadian companies operating in South Africa.

(c) The Middle East

Canada strongly supports all positive efforts towards reconciliation and lasting peace in the Middle East. We have welcomed the Camp David accords and the negotiating process resulting from them, and we have encouraged Israel's Arab neighbours to join this process. We have cautioned against disillusionment because an Israeli-Egyptian treaty was not signed within three months. After so many years of hostility, it is not surprising that the resolution of differences should prove difficult. As President Carter visits the Middle East in the pursuit of peace, I applaud his statesmanship and that of the leaders of Egypt and Israel.

Recent events in Iran have had a serious destabilizing effect on the region. Canada's concern has been to protect its citizens and to seek to develop effective working relations with the new government, which Canada recognized on February 16.

(d) Peacekeeping and peacemaking

Against the background of the frequently-recurring resort to force in the world, we continue to promote the achievement of peaceful solutions through the United Nations. Canada remains the major troop contributor to ongoing peacekeeping operations. The situation in each of the peacekeeping operational areas was relatively quiet in 1978, with the spasmodic exception of Lebanon, in which Canadian forces were for a time engaged. Canada's experience on the Security Council in 1977 and 1978 convinced us that the Security Council and the General Assembly need to become more actively involved in promoting solutions and solving the political problems underlying various conflicts. Our membership in the Group of Five dealing with Namibia and the joint Canada-U.S.-Britain initiative of late 1978 designed to facilitate the resumption of intercommunal negotiations in Cyprus are imaginative examples of how Canada is attempting to encourage the UN to move in this direction. In Cyprus, for example, the UN Secretary-General is building on the tripartite initiative in an effort to get negotiations under way. In visits to Greece, Turkey and Cyprus, I discussed the dimensions of the problem and the prospects for a solution.

**Canadian unity
and identity**

My department has developed an increasingly-sensitive policy balance aimed at reflecting the interests and concerns of English- and French-speaking Canadians and of the ten provincial governments in the context of a coherent foreign policy. I would highlight our active and meaningful participation in La Francophonie and the Commonwealth; and I recall with pleasure the highly successful games in Edmonton last summer. While the Canadian Government is determined to continue to express fully the national interest on the international plane, we have developed many co-operative means of involving and supporting provincial authorities in the international arena. With a view to aggregating the national interest, we have made special efforts to consult the provinces concerned regarding the positions adopted by Canada

in the Multilateral Trade Negotiations and in maritime boundaries and fisheries negotiations with the United States.

There has been continuing recognition in the department's activities of the contributions of Canadians of many cultural origins. Through our public-affairs program, and in other ways, the international community is being made increasingly aware of Canada as a vibrant, outward-looking and democratic society, capable of resolving positively its internal problems. Foreign countries, for their part, value highly the constructive role that a united Canada has played and can continue to play on the international scene.

International economic relations

The past year saw a strengthening of consultative arrangements among the industrialized countries and underlined the important linkages that exist between domestic and international economic problems. Canada played its full part in addressing common problems of growth, inflation, unemployment and monetary instability; we did this in the Organization for Economic Co-operation and Development and the International Monetary Fund, and particularly through our membership in the seven-member "economic summit" group. The results of the OECD ministerial meeting in June and of the Bonn "summit" in July reflected the growing conviction that co-ordinated action would be beneficial not only to the major industrialized nations but to the international community at large. Recent events in Iran will further test the capacity of the international community to manage the global economy — a challenge we can meet more confidently as a result of discussions last week in the International Energy Agency, in which Canada is an active participant.

A successful outcome to the Multilateral Trade Negotiations, which are now in their final phase, should contribute significantly to more open and fair conduct of international trade. Canada's exports stand to benefit directly from the general reduction of tariffs and the removal of non-tariff barriers. Although import competition will naturally increase in some areas, many "input" costs will decrease; this should contribute to Canada's industrial competitiveness domestically as well as in export markets. The MTN results, however important, will, of course, be only one factor in the broader adjustment process facing the Canadian economy and the world at large. An important element in this process remains the increasingly-complex economic relations between the developed and developing countries.

North-South challenge

Canada remains committed to the "North-South dialogue" and, despite the economic difficulties we share with other industrialized countries, a substantial development-assistance program. We carry on our dialogue with the Third World in many ways: at the United Nations, through bilateral contacts, *ad hoc* groupings, or by means of contacts in the Commonwealth and La Francophonie. An indication of our commitment was the participation by the Prime Minister in the "Manley summit" in Jamaica, which provided an informal opportunity for discussion of major North-South issues by a small group of government leaders. Considerable attention was devoted to improving the atmosphere of the "North-South dialogue" by avoiding rhetorical confrontations and fixed bloc positions, and to the desirability of giving priority to those issues where progress can realistically be achieved. We are hopeful that the

lengthy and complex negotiations on the Common Fund and the Code of Conduct on the Transfer of Technology can be concluded fairly soon. The next phase of the North-South dialogue will take place at the fifth meeting of the UN Conference on Trade and Development in Manila in May 1979. Planning is well under way for active Canadian participation in this meeting, which will encompass virtually all aspects of the economic relations between the developed and developing countries.

Support for international development

Canada is committed to an active, effective and humane program of development co-operation with the disadvantaged countries and peoples of the world. Despite the imperatives of the Government's expenditure-reduction program, the Canadian International Development Agency expects to spend approximately \$1 billion for Canada's aid program in 1979-80, an increase of approximately \$100 million compared to CIDA's forecast expenditures for 1978-79. While this rate of growth is less than originally planned, CIDA's global program has not been cut and its expenditures will increase in the coming year. In addition, continued attention is being paid to ways and means of sharpening the focus and improving the quality and management of Canada's development-assistance program.

East-West relations, security, arms control and disarmament

(a) East-West relations

While the relaxation of tensions in Europe is still regarded as a desirable goal by both East and West and the situation in Europe remains stable, conflicts in other areas over the last couple of years have had an impact on *détente*. The questions raised by continuing Soviet-Cuban involvement in Africa, and the armed conflict between Communist states in Southeast Asia, linked with heightened Sino-Soviet stress, have put *détente* in the global sense to the test. Against this background, it seems more important than ever for Canada and other Western countries to work in ways that will prevent the erosion of confidence and, in effect, reaffirm the value of *détente*. It is in this spirit that Canada has pursued relations of mutual advantage with the Soviet Union and the countries of Eastern Europe. Likewise, we are actively preparing for the next CSCE (Conference on Security and Co-operation in Europe) review meeting in Madrid. We believe that the successful conclusion of a SALT II agreement has a major contribution to make to a more confident East-West relation and that it will help to move the Mutual and Balanced Force Relations talks in Vienna off dead centre. At the same time, we welcome China's decision to end its self-imposed isolation and the emphasis it intends to place on the modernization of its economy over the next two decades. Building on Government efforts since 1970 to establish a framework of contacts and understanding essential for co-operation with China in the commercial field, Canada moved quickly in 1978 to take advantage of new opportunities presented by China's opening to the West. We see no reason why the development of relations between China and the West should take place at the expense of relations with other states or of our commitment to a policy of *détente*.

(b) Security

In May 1978, at the Washington "summit", the NATO governments were able, in the light of a fresh study of trends in East-West relations, to endorse a general long-term program designed to improve the deterrence and defence posture of NATO during the

1980s. Canada has demonstrated its continued commitment to the alliance, in spite of restraints in Government spending, by participating in collective-defence undertakings and by maintaining programs of capital expenditure to acquire new equipment for the Canadian Forces, including those assigned to NATO roles. For example, in 1978 Canada joined with other NATO partners in the agreement to acquire and operate the Airborne Early Warning and Control System. The current five-year term of the North American Air Defence Command agreement expires in May 1980. Discussions regarding renewal will take place shortly.

(c) Arms control and disarmament

The Prime Minister, speaking to the UN Special Session on Disarmament, outlined a "strategy of suffocation" of the nuclear-arms race. We anticipate some progress with the four elements of such a strategy, specifically with the comprehensive test ban and the ban on the production of fissionable material for weapons purposes (the two others were a ban on flight-testing of all new strategic-delivery vehicles and an agreement to limit and then progressively to reduce military spending on new strategic-nuclear-weapons systems). As the result of a Canadian initiative at the last General Assembly, we expect the new Committee on Disarmament to discuss at the appropriate time the fissionable-material production ban. The year 1979 will be a critical one for the future of strategic-arms control between the United States and the Soviet Union. Although Canada does not participate in SALT, we, and our NATO allies, have been kept closely informed about these talks by the United States through consultation in the North Atlantic Council. If, as we very much hope will be the case, SALT II is successfully concluded and ratified this year, it will be an important step forward in the task of restraining the strategic nuclear confrontation and of developing a more stable basis for maintaining peace and security.

In the area of nuclear proliferation, the work of the International Nuclear-Fuel-Cycle Evaluation (INFCE), in which Canada has been playing an active part, has been proceeding well and appears on schedule for completion in February 1980. The results of this comprehensive two-year study will have important implications for international efforts to establish a nuclear-safeguards regime capable of adapting to new technologies. The study results will be available for the Non-Proliferation Treaty Review Conference in 1980, preparations for which will begin next April. Bilaterally, we were pleased to negotiate an agreement with Japan last year that fully meets our non-proliferation requirements. And the interim arrangement concluded with the European Community augurs well for the negotiations towards a comprehensive agreement that will probably begin early in 1980. I am happy to see that these arrangements with the European Community and Japan are working well and that they have made a positive contribution to the cause of co-operation in the nuclear field as a whole.

**Energy supply
and security**

Recent events have shown the wisdom of Canada's policy of seeking greater energy self-reliance. Disruption of oil exports from Iran resulted in a new shortfall to world crude-oil markets of the order of two million barrels a day. Shortfalls for Canada have been largely offset by swap arrangements, based on higher-than-normal Canadian production, with the U.S.A. Nevertheless, continuing uncertainties about Iranian

and other Middle East oil supplies, as well as strong upward pressures on prices, led Canada, together with other members of the International Energy Agency, to decide on March 2 to undertake corrective action to deal with the prospective global crude-oil shortfall of two million barrels in 1979. The 20 member countries have agreed to reduce their demands on world oil markets by such an amount, equal to about 5 per cent of their own expected consumption, through increased internal production, conversion to other fuels and by conservation. This will not only ease their own situations but will help the rest of the world, including developing countries, to meet their supply problems. This IEA decision should also contribute to the easing of pressures on international oil prices.

For the foreseeable future, Canada will need, both on its own and in co-operation with others, to make every effort to increase energy security by a range of measures, including careful management of our domestic energy resources, diversification of energy imports and active encouragement of efficient energy use in Canada. The Government is actively pursuing bilateral oil-supply arrangements with other countries, such as Mexico and Venezuela, which would enhance our longer-term energy security through diversity of supply. Petro-Canada would be expected to play an important intermediary role in implementing such arrangements.

The human dimension

Canada is deeply engaged in the quest for human rights around the world. We reject the argument that human rights are a purely domestic matter. All states, through their adherence to the Charter of the United Nations, have undertaken an obligation to protect and promote the fundamental rights of all persons within their borders. When this international obligation is not fulfilled, other states, including Canada, must concern themselves. During the past year, we made bilateral representations to a number of governments over reports of human-rights violations. The Canadian delegation to the UN Commission on Human Rights (of which a Canadian, Yvon Beaulne, is currently session chairman) is actively pursuing several human-rights initiatives, and in particular one on disappeared persons. Canada is urging action in the commission on situations of gross abuses of human rights wherever they occur.

The increase in the global refugee problem is of concern to Canada. We are strongly supporting the humanitarian efforts of the UN High Commissioner for Refugees to obtain an adequate international response to the plight of refugees throughout the world. On the political level, Canada is seeking to focus attention on the interrelations between refugee outflows and human-rights violations within the countries concerned.

Progress in the area of family reunification during 1978 was steady. Canada continues to make representations to the U.S.S.R. and the countries of Eastern Europe regarding relatives of Canadian citizens who wish to be reunited with their families in Canada. Canada will seek to sustain this momentum in the period before the next CSCE meeting in Madrid in 1980. Family reunification is also a feature of our relations with China and Vietnam.

I must also mention that we are especially concerned for the protection and well-

being of our own citizens abroad. Over half a million instances of consular service were provided last year, ranging from routine assistance to emergency evacuation of Canadians from Iran.

Preserving Canada's ocean interests

An early and successful conclusion to the Law of the Sea Conference is in Canada's vital interests from a national standpoint and in terms of global peace and economic development. Its record of achievement in restructuring traditional principles of the law of the sea and in developing new ideas on ocean-resource management is remarkable. For Canada, the conference has already provided multilateral endorsement of the 200-mile fishing-zone and the 12-mile territorial sea and contributed to increased international acceptance of the need for enhanced coastal-state jurisdiction over pollution from ships. The renaissance of the fishing industry in the Maritime Provinces is dramatic evidence of its positive impact upon Canada. We should not, however, underestimate the difficulties of resolving outstanding conference issues, particularly concerning the international system for deep-seabed mining, which has obvious significance for Canada, the world's largest producer of nickel.

High-level fisheries negotiations during 1978 led to the signing of a bilateral fisheries agreement with Japan, a Convention on Future Multilateral Co-operation in the Northwest Atlantic Fisheries and a Protocol modifying the International Convention for the High Seas Fisheries of the North Pacific Ocean. *Ad referendum* agreement was reached with the European Economic Community on the text of a bilateral fisheries agreement. With France, new interim arrangements for 1979 were agreed to relating to fishing in the area of Saint Pierre and Miquelon; maritime boundary talks with France continue.

Canada-U.S. negotiations on maritime boundaries and fisheries resulted in agreement on a new regime for co-operative management of the Atlantic fisheries and on a formula for final resolution of the Gulf of Maine boundary dispute through binding third-party settlement.

Canada/U.S. co-operation

The management of Canada's relations with the United States is our highest bilateral priority and presents a continuing challenge. Notwithstanding the variety and complexity of the bilateral agenda, our relations with our nearest and most important neighbour have seldom been better. Canada's *rapport* with the Carter Administration reflects a special blend of commonsense, informality and mutual regard. Achievements in 1978 were impressive: the new Great Lakes Water Quality Agreement and discussions on transboundary air pollution; co-operation on the Northern Gas Pipeline; major bilateral studies on a strategic petroleum reserve and bulk-electricity exchanges; agreement by special negotiators on the management of east-coast fisheries; record levels of bilateral trade. We look forward in 1979 to enhanced energy co-ordination, an improved trading environment following conclusion of the Multilateral Trade Negotiations, progress towards resolution of the remaining boundary disputes in the Pacific and Arctic Oceans and conclusion of a west-coast fisheries agreement. Close consultations on international matters will be certain to continue on such subjects as Namibia, the Middle East and Cyprus, human rights and refugees, nuclear non-proliferation and disarmament.

Bridges to Western Europe and Japan

In 1978 we pursued further our efforts to give substance to Canada's economic relations with the European Community and the key countries of Western Europe. The visit of Roy Jenkins, President of the European Commission, provided a good opportunity to assess the industrial co-operation activities undertaken under the Framework Agreement and to provide guidance and direction to future work. The Government reiterated its support for the economic and political integration of Europe, while underlining the importance of having Canada's basic interests taken fully into account by the EC "Nine". We have worked to give economic stimulus to our bilateral relations with the Federal Republic of Germany and France in particular, but also with Italy. The Prime Minister's visits to several European countries, and the visit to Canada of Prime Minister Barre of France, reflected Canada's determination to strengthen its relations with Europe. We are particularly determined to achieve a level of economic exchanges commensurate with the importance of the Canadian and European economies and with the quality of our political dialogue.

Our efforts last year to expand and diversify economic and political relations with Japan resulted in agreements on upgraded nuclear safeguards and fisheries, as well as in a gratifying increase of contacts at the political level. Canada's economic relations with Japan grew further during 1978 and the second meeting of the Joint Economic Committee next week in Tokyo should help to maintain the momentum. The fiftieth anniversary this year of the establishment of diplomatic relations between Canada and Japan will be an occasion for increased political and cultural contacts and activity.

Strengthening foreign-policy management

Various federal departments, all provincial governments and the private sector have international dealings and concerns that must be drawn together if Canada is to maintain an active and coherent foreign policy. The need for high-quality foreign-policy management is perhaps greater today than at any time in our history. Consequently, we have taken steps to strengthen External Affairs' role as the central agency of Government responsible for the management of Canada's foreign relations. Senior interdepartmental committees responsible for the co-ordination of Canadian foreign policy and operations have been created or renewed. We have reaffirmed the authority of heads of post over all programs at their missions abroad and clarified their lines of accountability. The extent, level and location of our representation in several key countries is under active study. Departmental personnel policies now promote the development of the maximum degree of specialization consistent with the need for flexibility in the deployment of foreign-service personnel. We are giving particular attention to ensuring that Canada's bilingual nature is fully reflected in our operations at home and abroad. While national and international demands upon us grow, resources are severely constrained. Nevertheless, I am resolved to ensure that Canadian diplomacy is capable of meeting future international challenges.

This statement is not an exhaustive account of what Canada has been endeavouring to do in the realm of foreign affairs. It will serve, however, to underline the two main dimensions of foreign policy. First, we must continue to seek to advance Canadian interests and respond to Canadian concerns by pursuing a range of significant bilateral relations and keeping them in good repair. Secondly, the welfare of Canadians will depend increasingly on finding solutions through international co-operation to global problems; this means that a congenial global order must rank high in our endeavours. It is with these considerations in mind that we shall continue to conduct Canada's foreign policy.

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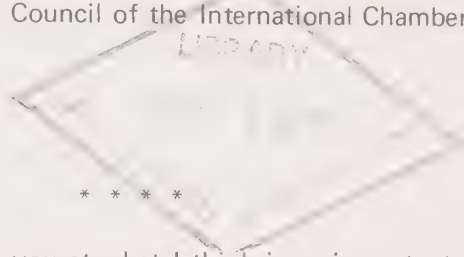


Statements and Speeches

No. 79/6

THE ROLE OF GOVERNMENT IN PROMOTING AND PROTECTING THE INTEREST OF THE CANADIAN BUSINESS COMMUNITY IN THE CHANGING WORLD ECONOMIC ENVIRONMENT

Notes for Remarks by the Secretary of State for External Affairs, the Honourable Don Jamieson, to the Canadian Council of the International Chamber of Commerce, Montreal, March 5, 1979.



You have asked me to speak to you at what I think is an important moment in the development of our common interests. In the 1980s, the international environment and the "mix" of issues that will confront us will be even more interdependent and complex than today. Our neighbourhood will be even more the world at large — no one country or group of countries will be able to afford to go it alone. It is important that Canadians, both in government and in business, recognize the changing realities in the international economic environment. Even more important, government and business should continue to co-operate and consult closely so as to take full advantage of the opportunities and avoid the pitfalls inherent in the changing international economic environment.

Let's look at what we can anticipate will be some of the main changes and forces at play in the 1980s and the role of Government in promoting and protecting the interests abroad of Canada's business community.

The changing economic environment

What are some of the changes I'm talking about? What will be the main elements of the international economic environment in the 1980s?

In the first place, there will be some straightforward changes in the facts of international economic life; some are readily apparent now, while others will emerge as the decade develops.

We shall be confronted by major new challenges in economic management. The phenomenal economic growth of the postwar period has ended. We now live in more difficult international and domestic circumstances. We shall, no doubt, continue to have to deal with reduced economic growth and the twin problems of inflation and unemployment, energy and resource shortages and the search for new sources, external pressures of payment imbalances, currency realignments, and serious readjustment problems in sensitive industry sectors. International events may have an even greater impact on our domestic policies. The variety of countries with which we shall have to do business — state-trading, newly-industrialized, market-economy, oil-rich, centrally-planned, middle-income — will present a formidable challenge to both Government and industry. We shall not readily forget the shock-wave occasioned by the 1973 oil-price crisis; in the 1980s, both Government and business will have to

remain alert both to the predictable problems I referred to above, and also to the less-predictable, such as the recent developments in Iran and Southeast Asia. The unrest and change in government that has occurred in Iran, for example, has had immediate effects on our oil supplies, on Canadian trade and investment interests there, and may have longer-term repercussions.

Despite more-straitened and more-complex circumstances in the 1980s, I believe Canada will need to be outward-looking if we are to take our place in the competitive environment of the 1980s. We must also continue our commitment to find ways and means that more fully meet the aspirations of the less-developed world. This will require a skilful blend of traditional and new policies — and close consultation between the public and private sectors.

A second changed circumstance we shall have to adjust to is the fact that the game will be played by different and more complex rules. The benefits of some of the new rules will be immediately apparent; others will take some time; yet others will be regarded by business with some misgiving. Common to all, however, is the fact that they will provide an atmosphere of greater certainty for the business community.

The most obvious new set of rules are those emerging from the Multilateral Trade Negotiations (MTN) in Geneva. These will bring about a more complete set of rules to govern international trade and should result in a freer and fairer trading environment. For example, the new non-tariff codes will provide Government with improved means to deal with unfair trade practices, while providing the business community with assurance that the game will be played by the same rules by our trading partners. The MTN are also intended to bring the most developed of the developing countries more effectively into the international economic framework, both in terms of the consultative process and the acceptance of GATT (General Agreement on Tariffs and Trade) rights and obligations.

In a variety of other forums, rules governing various other aspects of international economic behaviour are also being elaborated. For example:

- At the Law of the Sea Conference, rules are being developed governing deep-seabed mining and the 200-mile economic limit; the latter is already having an effect on our fishing industry.
- In Geneva, the UN Conference on Trade and Development (UNCTAD) is working on codes of conduct governing the transfer of technology, shipping and restrictive business practices.
- The UN is working on a code of conduct dealing with multinational enterprises.
- Work is progressing on the renegotiation of the Paris Convention on Industrial Property.

I am not suggesting for a moment that in each of these areas the new rules will have the full force of international law. Some will; others will be limited to moral suasion; others yet are still far from international agreement. All, however, will introduce greater certainty into the conduct of international business.

The third aspect of the changing circumstances I have in mind is the conduct of economic diplomacy in the 1980s.

In the worldwide international economic policy has had a predominantly multilateral focus, highlighted in recent years by the MTN and previous trade negotiations and the so-called 'North-South dialogue'. The importance of multilateral approaches in the management of international economic relations will remain. The MTN, for example, represent the most comprehensive and ambitious attempt yet, both in its scope and the number of countries involved, to reach to common agreement on how trade is to be conducted. Despite the broad scope of the expected agreement, however, much remains to be done. In the 1970s we only saw a continuing series of conferences dealing with particular aspects of world trading rules. Other international economic institutions are taking on an increasingly active role — the Organisation for Economic Co-operation and Development (OECD), the Food and Agriculture Organization (FAO), the United Nations Industrial Development Organisation (UNIDO) and UNCTAD. The international economic environment will thus continue to be shaped in the 1980s by what governments decide to do collectively as a result of the continuous give-and-take of multilateral discussion and negotiation.

Less visible, but increasingly important, is the fact that the management and conduct of our bilateral economic relations are changing and call for increasingly close attention. They are now much more complex and sophisticated. The examples range from our relations with the United States, dominated by a complex network of corporate and other private-sector ties, to the framework agreements with the European Community and Japan, to the highly-formalized government-to-government agreements and consultative mechanisms that are a prerequisite to successful economic penetration of some of the developing and state-trading nations.

In recent years, particular emphasis has been placed upon developing mechanisms and consultative relations that better respond to the complexity of contemporary economic interests. This approach aims at co-operation across the economic spectrum: in the fields of production, research and development, energy, food-production, development of natural resources, as well as joint marketing arrangements and trade. As we move into the post-MTN period and face a global economic climate marked by modest growth and continued caution in effecting structural adjustment, the manner in which we use and develop both multilateral economic diplomacy and the growing network of bilateral ties will assume increasing importance.

The tools of the trade of economic diplomacy are also changing. Many people seem to see a good part of international relations today as a struggle between developed and developing countries, the former trying to keep as much of the pie as possible and the latter trying to get all they can. This is, of course, a somewhat simplistic view. In the first place, the North and the South are by no means homogeneous blocs. Within the developing world there are newly-industrializing countries such as Brazil, Korea and Singapore; there are the oil-rich but still very much developing countries: Nigeria, Saudi Arabia and Indonesia; and there are middle-income developing countries such as India, Algeria and Kenya. There continue to be the very poor countries;

and there are the state-trading countries of Eastern Europe and China. Each of these groups of countries, and for that matter each country within these groups, provides its own challenges. Each requires a different approach, depending in part upon the different "mix" of government and private enterprise it has.

Quite clearly, then, to take full advantage of the changing environment ahead, dynamic and creative activity on the part of both the Government and the private sector will be needed.

Role of Government

How can we — Government and business — work together to ensure that your interests are reflected in what the Government is attempting to do internationally, and to help you assume that your investment and commercial dealings take into account these changing realities?

Contacts between the Government and the Canadian business community are, of course, constant and extensive. For example, the Department of Industry, Trade and Commerce maintains its extensive daily contacts with the broad spectrum of Canadian industry, and has recently been very deeply involved with the private sector in the reports of the industrial-sector task forces, whose recommendations are currently under review by the Government. You will also be familiar with the direct assistance provided to Canadian businesses operating abroad by the Export Development Corporation and the Canadian Commercial Corporation. The latter is exploring new ways to assist private-sector activity abroad in response to the increasing global importance of large-scale projects. There have also been increasingly-direct consultations with representatives of Canadian industry on major international economic issues.

The Department of External Affairs also has its role to play. The traditional distinction between foreign policy and domestic policy implies a hard and fast dividing-line that no longer exists — if ever it did. The increasing range and complexity of the economic issues we face require an "input" by the Department of the Government's policy-formulating process that goes beyond mere co-ordination in Ottawa and simple representation of the Government's view abroad. It is our job to ensure that the range of Government policies, at home and abroad, reflects the changing international realities I earlier described.

Let me focus now for a few moments on what our multilateral and bilateral diplomatic efforts are intended to achieve for the business community.

With regard to our bilateral economic relations with the United States (by far our largest and most important trading partner), formal government arrangements have rarely been necessary; the links are geographical, cultural and corporate. Although neither country has been without its advocates of closer, more formal arrangements, government-to-government contacts have for the most part not been "structured". The role of government is nonetheless extensive in a complex trade and economic relation where we try to manage and contain numerous minor difficulties and irritants on a day-to-day basis. However, because of the nature of the United States' marketing and business practices, and our ability to do business in that market largely witho

Government assistance, formal arrangements for the most part have not been necessary; the Canada-U.S.A. Automotive Pact represents an exception, and one that has been of advantage.

This relation with the United States is, however, unique today and is matched in the past only by our old links with the United Kingdom, before the latter joined the Common Market. The rest of the world calls for a more active and direct governmental role. The most obvious example is our growing relation with the European Community, embodied in the framework agreement we signed in 1976.

The decision to negotiate the agreement was taken in the light of changing European realities and with a view to creating an environment in which the Canadian businessman could pursue interests in Europe in an atmosphere of co-operation. Essentially, the agreement is a partnership between Canada and the Community, involving both government and our respective private business communities, which goes beyond straight trade to encompass what has been called the "diplomacy of business". Since the signing of the agreement, we have concentrated on encouraging the development of closer intercorporate relations to match the strong political commitment of both sides. Five *ad hoc* working groups have been set up under the umbrella of the agreement — in forest products, telecommunications, aerospace, metals and minerals and nuclear equipment and services. Canadian businessmen — over 300 of them — have been actively involved in the work of these groups and in the seven missions that have been exchanged over the past two years. The next stage, about which I am optimistic, will be the translation of these exploratory activities into specific sales-licensing agreements and joint ventures by the private sector. The activities of the last two years show that the opportunities are there. Are we up to taking advantage of them?

A less-structured framework agreement was signed with Japan in late 1976. The first meeting of government officials within the Joint Economic Committee was held in June 1977, and the next is scheduled for later this month. It is far too early to make definitive assessments of the utility of this comprehensive framework approach; however, Canadian business appears to have responded well, as witnessed by the growing number of business missions to Japan and the first meeting of the Canada-Japan Businessmen's Conference in Tokyo last May. The second meeting is scheduled for Toronto in May.

Recently, in Kingston, Jamaica, I signed the Canada/CARICOM Trade and Economic Co-operation Agreement. The agreement is in fairly general terms and establishes a legal framework for our bilateral economic relations. Attached to it, however, is a detailed Protocol on Industrial Co-operation. The objective of the protocol is to involve governments and the private sector in industrial co-operation efforts that will be of benefit to both Canada and Commonwealth Caribbean countries. The protocol, based on the recognition that economic relations cannot be thought of in trade terms alone, attempts to provide a framework for action to encourage and facilitate investment, the transfer of technology and development assistance. The various elements of the protocol add up to a package peculiarly suited to our relations with Caribbean countries. Some of these elements would have to be changed to make the package

suitable to, for example, an African country. The Canada/CARICOM agreement does illustrate, however, the sort of comprehensive and pragmatic approach I foresee for the future, and it is this approach I commend to you.

A similarly-tailored approach to the specific needs of middle-income developing countries is our recently-adopted program of reimbursable technical co-operation. This involves assistance to a developing country in the technological and industrial fields. Such a program is launched when the country in question wishes to deal on a government-to-government basis to obtain Canadian goods and services either from the public or private sectors. It is organized and initially financed by the Canadian Government and costs are later recovered from the recipient. Such a program can be extremely valuable in stimulating projects that we otherwise might not see come to Canada and that themselves frequently produce "spineoffs" and other further opportunities the private sector in Canada can take advantage of. This technique, like private-sector joint ventures, which Canadian firms increasingly favour, helps to ensure that we are not working at cross purposes with the social and economic policies of the host country and encourages the search generally for projects of mutual benefit.

The OECD has done some good work in assessing the impact of newly-industrialized countries — the South Koreans and Brazils — on Western economies. These studies have shown that, in any global sense, the competition these countries are now providing is more than matched by the increased possibilities for doing trade with them. Another way of putting this is to say that our trade with these newly-industrializing countries is increasing much more rapidly than is our trade with those developing countries that have not yet begun to export manufactured and semi-manufactured goods.

OECD countries have recognized that the developed world should not habitually be in the position merely of responding reluctantly to each new demand by the developing world, but that in our own interests the developed countries should take some initiatives. You will all be aware of the 1976 OECD package of recommendations on international investment, which includes a set of guidelines for the behaviour of multinationals. It is not yet clear what practical effect these guidelines may have had. However, it is obvious that good corporate citizens tend to receive more-favourable treatment from host governments than do black sheep, and I think that multinational enterprises (MNEs) are beginning to realize it is in their own best interest — and I mean financial interest — to observe some set of reasonable standards such as the OECD guidelines. I might add that, were MNEs more openly responsive to the OECD guidelines, it might make it easier to argue that the UN code of conduct for transnational corporations need not contain more restrictive provisions than those found in the guidelines.

I could offer other illustrations of where we are engaged in responding and adapting to the world's changing realities in terms of the needs of the developing world, such as in the context of the UN Conference on Science and Technology to be held this year in Vienna, or in our dealings with state-controlled economies or even the developed world. But time will not permit me to do so.

Conclusion

This brings me to what you and we should be doing together. The easy answer is more of the same. In fact, I think we must do more and do it better. In doing so, I think there are two principles we should keep firmly in mind. The first is that politicians and bureaucrats cannot do the real business. The private sector must remain the senior partner in the development of bilateral trade and economic relations. The second is that government does have a role. Our efforts are intended to support and facilitate; they are, of course, not limited to circumstances where constraints on market access or broader political considerations justify a formal government role; they should furthermore be sufficiently flexible to take account of changing circumstances.

To do so effectively, we must have the best possible understanding of what will be helpful -- from door-opening to treaty-writing. Hence the need for frequent consultations. We have found the consultations carried out over the past year with the Canadian Business and Industry International Advisory Council, of which you are members, to be extremely useful. I recognize that it is not always easy for you and the other member organizations of CBIAC to speak to us with one voice, but I encourage you to continue your efforts in this regard.

We are trying to consult more often. We are trying to consult more on specific subjects. In recent months, agenda items for our meetings with CBIAC have included environmental-protection legislation, fair labour practices and commodity negotiations. We are also trying to consult more before policies are set by government.

It is particularly helpful when the business community is able to produce proposals and recommendations on specific subjects. A case in point is the Report on Extortion and Bribery in Business Transactions, adopted by the Council of the International Chamber of Commerce in November 1977. In that report, the ICC recommended that a treaty be drawn up to combat corrupt practices in international business transactions,* and also outlined specific rules of conduct for business enterprises. This positive approach by the business community has provided an impetus to the efforts currently under way to draft an international agreement, and has also helped focus those efforts.

This is the kind of pragmatic approach demanded of us by our changing world. It not only pays dividends to you, it makes our job easier and permits us to be more effective. And that, I think, brings me back to where I came in. The world is no longer a simple place, if ever it was, and the need for mutual reinforcement is greater than ever. There are certain political realities to which we must respond; you are judged by the figure on the bottom line of your balance-sheet. Government has to take into account the factors that determine your bottom-line figure, and we wish to do so. By the same token, the business community must respond to the political and economic realities we face, and I am sure you wish to do so. I am optimistic by nature. I am confident that our continuing dialogue will prove invaluable.

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Statements and Speeches

No. 79/7

NATO AFTER THIRTY YEARS

A Statement Issued by Prime Minister Trudeau on April 4, 1979, to Mark the Thirtieth Anniversary of the North Atlantic Treaty Organization.

Thirty years ago today, Canada and 11 other founding nations signed the North Atlantic Treaty, the essential document of the Atlantic Alliance. This treaty enshrines the basic principle on which NATO rests, the indivisibility of allied defence. Through three decades, the Alliance has helped to keep the peace in Europe by maintaining a credible Western defence and deterrent based on partnership between Western Europe and North America. Canada's participation in the Alliance is a continuing affirmation that today, no less than in 1949, our country's security is closely linked to that of both Europe and the United States and that the collective approach to Western defence has contributed much to the peace and prosperity we have enjoyed for so long.

While our security interests and the protection of Canada's national sovereignty have been central to our membership in NATO, the Alliance has assumed an even broader dimension in our foreign relations. Our NATO partners attach great importance to our contribution to the collective defence effort and Canadian commitment to the Atlantic Alliance has been an important factor in the expansion of our political and economic ties with Western Europe. Similarly, Canada sets great store by the Alliance as an essential forum for free and frank consultation among the nations of the Atlantic community.

The value of NATO's consultative mechanisms are nowhere better illustrated than by the immense variety of questions involved in East-West relations. Members of the Alliance have long recognized that collective security is best guaranteed by a combined pursuit of an adequate defence capability and of a general climate of confidence and mutual respect in the broad spectrum of relations between East and West. Canada and other NATO members are working individually and collectively to achieve that goal through their commitment to a policy of *détente*.

It is fitting on this anniversary to recall the creative role played by Canadians in the building of NATO, beginning with Prime Minister Louis St Laurent's original formulation of the fundamental conception of the Alliance in the House of Commons on April 28, 1948. This founding vision of NATO has served us well for 30 years and will continue to guide us in an ever-changing world.



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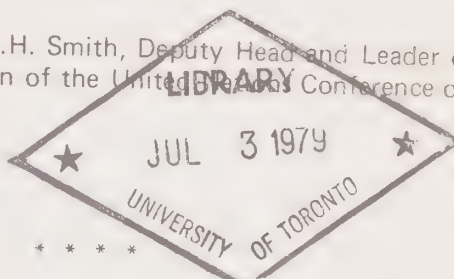


Statements and Speeches

No. 79/8

UNCTAD V: THE SECOND ASIAN MEETING

Opening Statement by Mr Larry A.H. Smith, Deputy Head and Leader of the Canadian Delegation at the Fifth Session of the United Nations Conference on Trade and Development, Manila, May 9, 1979.



In the context of the Arusha meeting of the Group of 77 earlier this year, President Julius Nyerere of Tanzania observed that change is not only desirable but inevitable. This theme, from one of Africa's most distinguished leaders, sums up Canada's central approach to what have become the gross disparities in income levels between wealthy and poor. The spectre of hundreds of millions of people still living in absolute poverty cannot be tolerated by any thinking person. Change is also inevitable because we simply do not have the option of deciding whether to change or not. The process of change is evolutionary, continuous and, if we are to be frank with ourselves, frequently beyond the control of governments. What we must do is decide, within the limited ability of governments to intervene in these processes, and in the common interest of our increasingly linked economies, how we may attempt to influence the changes, prompting those desirable ones that can be accelerated, retarding those that need to be contained, steering those that can be redirected, to ensure that our evolving international economic order will bring benefits to all nations and all peoples. What we obviously cannot do is think that simple exchanges of words, or the drafting of elaborate resolutions, will in themselves have any impact on the world beyond our doors — unless they are based on the realities of those forces that shape our world.

In reference to his own experience in Tanzania, President Nyerere has also said "to plan is to choose". Here, within UNCTAD, and in our discussions on development in all institutions, choice is required, not only in terms of priorities but in the instruments — trade, financial or administrative — chosen to deal with change. Choice is required in the way we combine these instruments and in the manner in which we deal with their intended consequences, and with the sometimes serious side-effects they may produce on growth or distribution.

Given the inevitability of change and the possibility of choice, should we be encouraged or discouraged by our record to date? There are grounds for being both; without question there has been progress. The past 25 years have, in historical terms, been a period of unprecedented growth for the developing countries, measured by both their gross domestic products and their *per capita* incomes. Standards of housing, education, health, nutrition and life-expectancy have all climbed. It would be as foolish to ignore these signs of change as it would be to describe them as adequate. The challenges remain all the greater because we are moving.

That rates of change and economic progress vary significantly from country to coun-

try should come as no surprise to any of us. All nations of our world have different natural resources, population sizes, geographical locations, territorial areas, productive capacities, structures of society and national ideals. We recognize at least some of these distinctions in the battery of names that has become part of the international jargon — the "least-developed", the "island developing", the "landlocked", the "MSAs", the "MDCs", the "NICs", the "oil-exporting", and so on.

Of these, the middle- and upper-middle-income countries have in recent years enjoyed the greatest economic success. They have been experiencing increase in real gross national product and *per capita* GNP at considerably faster rates than the developed countries. Some have been highly industrialized, with a growing share of the international production and trade in manufactures as well as commodities. The income range of some developing countries now surpasses that of some so-called "developed" countries. The "futurists" and "think-tankers" like to project these trends into the future. It has been estimated that, over the next two decades, developing countries, with a population of some 500 million persons, will meet all the criteria for being classified as developed, and that many others will be moving along the same path. Whether or not we agree with such terminologies, the entire international community should take some satisfaction from the trends.

The progress achieved by these countries should not, however, lead us to complacency about the development process; poverty and human misery remain at intolerable levels in our "global village" and must be the focus of concerted and concentrated attention. Those countries with lower growth-rates must be helped to catch up. Major issues related to financial resources, food and agricultural development, industrialization, energy, market access, transport and technology-transfer remain unresolved, particularly in respect of the poorer countries. But the successes achieved demonstrate clearly, we believe, that our international system, in spite of its need for reform, is evolving and can accommodate change. Many of the issues to be addressed in this conference are, in fact, by-products of success. We should be encouraged that we are dealing, in these cases, not with problems of stagnation but with the adjustments required because of a dynamic process of change and the shifting structural base of the international economy.

In short, I believe we should view the essential task before this conference not as one of attempting futilely to turn back the tides of history, not as one of attempting vainly to preserve privilege or advantage, but rather in the positive spirit of how we can work better together for mutual benefit. We are not engaged in a "zero-sum game", where someone's gain represents another's loss. Rather, we should all see ourselves as members of an interdependent family of nations, where each of us has a growing capacity to help each other, or to harm each other. Both aspects have been demonstrated in recent years, with inflation, unemployment, industrial slack, exchange-rate fluctuations and financial crises besetting many of our economies. There has been a natural tendency for governments in both developed and developing countries to seek short-term national answers to immediate serious problems. We sometimes forget that, in our world, where interdependence is an increasing fact of life and not just a slogan, the economic interrelations are becoming so strong that

one country cannot solve its basic problems in isolation from the international community. Let us, through this conference, attempt to restore the longer-term perspective of an interdependent community of nations based on enlightened self-interest.

UNCTAD meets appropriately for the second time in Asia; when this conference met in [New] Delhi, just over a decade ago, the process of articulating development issues had just begun. Today, we meet in Manila, when the process of substantive negotiation has, in reality, just begun. UNCTAD I, II and III were instrumental in leading the world community to a definition of goals and objectives for the international development process. The proposals for economic change articulated in the sixth and seventh special sessions of the United Nations General Assembly now constitute much of the current agenda of development issues. UNCTAD IV set the stage for moving the comprehensive listing of major issues to the process of actual negotiation. If UNCTAD V is to be an effective instrument for promoting change, it too will have to choose carefully those issues on which it can exercise leadership and adopt an approach that will evoke the confidence of all member states.

It should not surprise us that the process of negotiation is not smooth, that it is time-consuming and that its results frequently fall short of our objectives and involve compromise. The issues under negotiation are of greater complexity and importance. Governments differ on the most appropriate remedies to problems. Not all changes will bring comparable benefits; not all benefits will be equally distributed.

The strength of UNCTAD lies in its adaptability to changing circumstances. At the outset, UNCTAD's distinguished Secretary-General, Raoul Prebisch, led the organization to an understanding of its own role and potential, demonstrating that the problems with which UNCTAD is concerned are problems of one world and that the common good of mankind can best be served by recognition that all men and all nations have a shared responsibility for resolution of these problems. His successors, Manuel Perez-Guerrero, and our present Secretary-General, Gamani Corea, have built UNCTAD into a deliberative and negotiating organ of major importance to the international economic system. Part of our task is to ensure its future effectiveness.

UNCTAD has a unique opportunity under its mandate to give emphasis and impetus to negotiations that will benefit large groups of developing countries, perhaps in different but equally desirable ways.

The successful outcome of the Common Fund negotiations recently in Geneva serves as a noteworthy example. We regard this as a major accomplishment and we shall work to ensure that the Common Fund's potential benefits are widespread for countries that differ from each other in resource-endowment and production potential. Canada will, at an appropriate stage, be prepared to make a voluntary contribution to the Fund's second "window", including a portion of the \$1-million equal assessment — subject, of course, to Parliamentary approval.

UNCTAD also has the opportunity to complement the work being pursued in other bodies. The Multilateral Trade Negotiations offer important tariff reductions and new

rules to deal with non-tariff measures that will benefit all trading countries. We should welcome these results as a demonstration of our commitment to resist protectionist pressures. Obviously, none of the participants' declared objectives will be fully realized; that is the essence of the negotiating process. However, all of us are going to realize at least some of our objectives and we all stand to benefit from freer world trade and strengthened rules to guide the trading system. Developing countries will benefit from concessions exchanged in the meeting by the major industrialized trade nations on a most-favoured-nation basis, as well as from more direct negotiations, some of which remain to be completed. A number of developed countries have already implemented concessions on "tropical products" of particular interest to developing countries. In Canada's case, these concessions covered, in 1977, approximately \$150 million of tropical-product imports from developing countries. In addition to these general and specific improvements in market access for developing-country exports, the Tokyo Round will result in building into the GATT (General Agreement on Tariffs and Trade) system specific provisions designed to meet more fully the special needs and circumstances of the developing countries.

The complementarity of UNCTAD's role with the work of GATT is further reflected in the Integrated Program for Commodities, the Generalized System of Preferences and joint endeavours such as the International Trade Centre.

Of equal importance, UNCTAD's work also complements that carried out in other international bodies, such as the use of science and technology for development and the role of the multinational corporation.

As a global body concerned with trade and development issues, UNCTAD, through its universal membership, must demonstrate that the development process requires a co-operative and collaborative effort rather than a confrontational approach. No single nation or group of nations can expect to achieve domestic development goals or international economic reform solely through its own efforts. Our global population and our national economies have too many linkages to make such an approach feasible. Our choice then lies in determining which of our international institutions can best perform which tasks. UNCTAD's relations with other international institutions would seem best served by ensuring that each body works effectively within its respective mandate, and co-operatively where areas of responsibility intersect.

The developing countries fully appreciate that they bear the essential responsibility for their own development. Their own resources account for over 80 per cent of development expenditures. External concessional resource-transfers, while important for some countries, are but a marginal addition for many. Decisions about the internal distribution of investment, trade-offs among competing alternatives, and allocations among economic and social programs are choices that can only be made by national governments and authorities, within the international constraints of the economic system. The choices we can make collectively to contribute to the development process and complement the efforts of national governments are limited but important if we are to assist in the evolution of that economic system.

In part, the wisdom of our choices depends on a realistic assessment of the factors that determine what governments can do. Public support for domestic and foreign policies that promote the development process is essential. This is particularly so in industrial countries during periods of economic difficulty. Proposals that would restructure industrial production or trade patterns may more easily be endorsed if benefits to producer and consumer can be portrayed clearly. Decisions affecting investment in developing areas, or industrial adjustments, require active collaboration of decision-makers in both the private and public sectors. Many proposals affecting the interests of developing countries involve decisions taken on the basis of commercial criteria, where the role of government is limited to establishing appropriate conditions within which private businesses can operate.

The objectives of Canadian policy are to promote more rapid economic growth in those countries that need it, to encourage broadly-based participation in the development process, and to contribute to an orderly evolution of the economic system through a variety of policy instruments. Only programs that are practical and efficient will serve effectively the interests of both developing and developed countries.

In our view, the most important choice is to identify areas where developed and developing countries share common interests and then to promote those changes that will produce global benefits. We continue to believe that an open and dynamic system provides the most promising environment for economic growth and social progress.

Canada believes this conference will be particularly significant in setting the atmosphere for international co-operation in the 1980s, in deciding whether as a community of nations we can continue to work together in harmony or [must] fly apart in acrimony and intolerance. Canada will do its full share to set a constructive tone. We look forward positively to the United Nations special session on development and the elaboration of an effective new international-development strategy.

Satisfactory evolution of international economic relations depends perhaps as much on the manner in which we choose to approach these problems as it does on the issues themselves. We have been concerned about some of the rigidities of the group system that can conceal areas of flexibility and encourage an adversary approach. For this conference, let me propose two new groups. In one group let us place all our problems. In the other group let us place all the members of UNCTAD, united in our confrontation with the first group. Let us also be realistic about the complexity as well as the urgency of the problems we confront. They are not easily solved. Nations and peoples are impatient, and we cannot slacken our efforts. But we need long-term dedication and continuity of effort. Canada believes that economic progress is most commonly achieved by incremental processes of adaptation and accommodation. Our work will be more effective if it promotes gradual and evolutionary change.

Canada is committed to strengthening and improving the capacity of all countries to participate effectively in the international economy. Our substantial development-assistance expenditure of over \$1 billion annually is oriented primarily to the poorer countries. For the least-developed countries, it is provided entirely on a grant basis.

Currently, efforts are being made to improve the quality and efficiency of the program and maintain its high rate of "concessionality".

In trade matters we shall continue to work through the GATT and elsewhere to resist protectionism, to promote differential treatment according to the trade needs of particular groups of countries, to elaborate a code on the use of safeguard measures that will clarify their application and reduce uncertainty and will accommodate developing-country interests. Active consideration is being given to the manner in which our scheme of tariff preferences for developing countries can be improved.

We have been attempting to broaden and improve techniques for bilateral economic co-operation with developing countries. Recently, an agreement on trade and economic co-operation between Canada and the members of CARICOM, the Caribbean Community, has been signed. A further example is the approval now granted for the establishment in Canada of a trade-facilitation office to assist all less-developed countries in identifying Canadian markets for their goods.

In the coming weeks, we shall indicate our positions on the specific items covered by our agenda. We are particularly anxious to support efforts to improve the effectiveness of UNCTAD itself in fulfilling the objectives of its mandate for trade and development. We shall work to achieve a clearer understanding of UNCTAD's relation to international and intergovernmental organizations and institutions that have specific roles to play in international economic relations. In doing so, we shall seek to assist UNCTAD in choosing the approaches that will contribute most beneficially to the development process and to an international economic system that will provide encouragement for all countries to realize their potential.



Statements and Speeches

No. 79/9

"RELATIONS WITH DEVELOPING COUNTRIES IN AN INTERDEPENDENT WORLD"

A Statement by the Secretary of State for External Affairs, Flora MacDonald, at the Organization for Economic Co-operation and Development Ministerial Council Meeting, Paris, June 13, 1979.

These are the early days of a new Canadian Government. I am very pleased that so soon after taking on my responsibilities I am able to share in the discussion around this table. As members of the Organization for Economic Co-operation and Development we learn much from each other. We learn how others are tackling the problems that we must also tackle. We are reminded of the impact that our policies have on other countries. Here in the OECD we have learned both the habit and the discipline of frank discussion. These are the essential ingredients of constructive co-operation among countries.

The need for co-operative approaches to problems extends well beyond the membership of the OECD. The interdependence of our economies and those of the developing world is not a matter of choice. It is a fact of life. No country, no bloc of countries, can solve its economic problems in isolation. The foundations for broad co-operation in the world economy are not easy to build. The difficulties should however make us all the more determined to pursue discussion with the developing countries in a constructive and practical manner.

UNCTAD V [Fifth United Nations Conference on Trade and Development] ended only ten days ago. That conference — one step in a process of discussion — had its successes and its failures. In part its failures resulted from difficulties in moving into frank discussion of common problems. In part they resulted from the gaps between developed and developing countries in their interpretation of key issues. These differences of view underlay, for example, discussion of the nature of the world's present economic difficulties and the role of governments in trying to solve them. They affected discussion of the process of structural change and the ways in which governments might respond to it.

It is important to try to narrow these gaps in perspective. Studies by the OECD Secretariat have amply demonstrated the increasing number and the deepening significance of the economic links between the developed and the developing countries. That they bring shorter-term problems of adjustment must also be recognized. Our policies and our co-operation with the third world must be focused in ways which recognize the problems we have but which look towards the benefits we all can share. It is often difficult to see through immediate problems to longer-term benefits. That is a fact of economic life, and of our lives as politicians. We must be on guard against short-term policy approaches that endanger openness and flexibility in the world economy. The successful conclusion of the Multilateral Trade Negotiations is a major

contribution to this objective. However, the persistence of slow economic growth and high levels of unemployment poses a continuing risk of actions that restrict or distort trade.

The commitment of OECD member countries to the trade pledge has been an important constraint on such measures. There is a continuing need for the political commitment which the trade declaration represents. I therefore welcome its renewal.

We are only too conscious these days of the impact of energy problems on our economies and on the prospects for the world economy. I will touch today on only one aspect of the complex subject — the job which must be done to assist developing countries in meeting their needs for energy. Canada welcomed the decision of the World Bank to increase its support for exploration and development of oil, gas and coal in the less developed countries. Canada was also pleased to chair the working party established by the OECD Council to explore ways of assisting less developed countries to use renewable sources of energy. I hope that member countries will consider seriously the policy options set out in the report of the working party.

I also welcome the proposal that the organization be instructed to study in depth financial flows between developed and developing countries. The organization will of course wish to ensure that its work does not duplicate what is being done by other institutions. As the documents submitted to us suggest, greater attention must be paid to the encouragement of non-concessional and, especially, private capital flows. These are, and must continue to be, the major element in the total flow of financial resources to developing countries.

At the same time, flows on concessional terms are essential for the poorer countries. The Canadian Development Assistance Program of over \$1 billion annually is oriented primarily to the poorer countries. And for the least developed countries, our assistance is provided entirely on a grant basis. Efforts are also being made to improve the quality and efficiency of our program, while maintaining its high rate of concessionality.

The documents before us refer to the need to maintain public support in the developed countries for effective co-operation with developing countries. That is a challenge of which I am very conscious. Whether in large programs or small, in aid or in trade, co-operation with developing countries needs the support of public opinion in our countries.



Statements and Speeches

No. 79/10

HUMAN RIGHTS VIOLATIONS AND REFUGEES

A Speech by the Under-Secretary of State for External Affairs, Mr. Allan Gotlieb, to the Canadian Human Rights Foundation, June 11, 1979.

I was invited by the Canadian Human Rights Foundation, an organization that I hold in the highest esteem, to address this conference on a human rights subject of my own choice. Since the conference is focusing on human rights aspects of Canadian immigration and refugee policy, I thought I would attempt an analysis of the relationship between human rights violations and refugees, drawing in particular upon the situation in the Indochina region.

Displacement of Persons

Many factors can lead to the displacement of people within their own countries and on occasion from their own to neighbouring countries. Whatever the cause, be it civil war, regional conflict or natural disaster, the international community responds to the plight of those affected through international humanitarian organizations. It is Canada's practice to give full support to international relief activities. We have at times contributed as much as 10 percent of the total cost, particularly to Red Cross appeals for immediate and invaluable on-the-spot assistance to victims of disasters.

Refugee Situations

Movements of people of the kind I have just described may, though large in magnitude, be of a nature susceptible to solution in the short or medium term. More intractable, however, are the situations which give rise to the creation of refugees in the internationally accepted sense, that is, persons who, owing to a well-founded fear of persecution, have left their country of nationality and are unable or unwilling to return.

Root Causes

The existence of small numbers of refugees from a country may suggest that it falls well below international standards in certain areas in the treatment of its citizenry, though it may have a relatively decent over-all record in human rights terms. When, however, the flow of refugees assumes major proportions, one must look to the root causes. National and regional conflicts may be a factor, but experience shows that there is frequently a relationship between major outflows from a country and gross and persistent violations of human rights in the country concerned.

The United Nations High Commissioner for Refugees (UNHCR) estimates that there are at present as many as 10 million refugees in different parts of the world. It is a distressing situation and one, I believe, which reflects the state of human rights in many areas of the world.

Repression and Instability

There appears to be a causal relationship between human rights violations and political instability — both within a country and within a region. The stability of most countries and of most regions is tenuous at best. When a regime severely represses its citizens, it causes a reaction which in turn threatens the country's stability. In re-

sponse to the threat to its stability, the regime tends to increase its repression, which in turn increases the reaction. There is therefore a mutually-reinforcing spiral of repression and instability.

When the state of repression within a country is serious enough to cause major outflows of refugees to a neighbouring country or countries, the stability of those countries may be threatened. This is particularly the case where there are territorial claims by one country on the other or aspirations to the territory of one on the part of the other. The refugees can be judged by the receiving country as constituting a potential fifth column. Such events can lead to further serious deterioration of relations between the countries in question. It can even lead to conflict.

Indochinese Refugees

As an example, we might consider the situation which is commanding international attention — the continuing exodus of people from the countries of Indochina. That exodus — tragic in its human proportions — is causing great strain on the countries providing first asylum to the refugees, and risks increasing further the instability of the region.

The number of Indochinese who have fled their countries of origin since 1975 has reached 900,000. Of these, 200,000 have been resettled in China and 300,000 primarily in the U.S.A. but also, in significant numbers, in France, Australia and Canada. A further 150,000 Cambodians are in Vietnam awaiting repatriation. As well, 265,000 Indochinese refugees are in temporary asylum in camps throughout South-east Asia.

Causes

What has caused these movements?

Cambodia

The atrocious conditions in Cambodia under the Pol Pot regime resulted in an outpouring to Vietnam and Thailand of approximately 190,000 people. Well-founded reports suggested a situation in Cambodia of seldom-paralleled barbarity. Killings had been indiscriminate and the population existed in a state of fear and misery. I might note that Canada took an unprecedented action in presenting a report on the situation to the UN Human Rights Commission and calling for an immediate investigation. Later at the UN General Assembly the Secretary of State for External Affairs urged that international opinion be brought to bear on the Cambodian Government for the sake of the victims of its actions.

The flow from Cambodia continues, but its nature has changed. The present conflict there involving Vietnamese troops and Cambodian Khmer Rouge forces continues to generate a major influx of Cambodians into Thailand. Some are supporters of the former Pol Pot regime, but others are helpless civilians caught up in the turmoil of the conflict.

Laos

In the case of Laos, some 140,000 of its people have fled to Thailand. It is little known in Canada that the Laotian Government, assisted by an estimated 50,000 Vietnamese troops garrisoned in Laos, has over the past several years conducted a systematic campaign against the hill tribe people. There have been persistent violations

of human rights in lowland Laos as well, particularly against the non-ethnic Laotians. An imposed restructuring of the Laotian economy, forced Labour camps and political indoctrination are all part of the picture. It is not surprising therefore that several thousand Laotians continue to leave their country each month.

Vietnam

But the aspect of the Indochina refugee problem that has seized the attention of the international community is the exodus of Vietnamese from their country in boats. It is true that the flight of those closely connected with the former south Vietnamese Government was anticipated after the fall of Saigon in 1975. What has come however as a shock to the international community and a blow to the ASEAN (Association of Southeast Asian Nations) countries of the region, is the dramatically increasing outward movement which dates from the spring of 1978. Early in 1978 it averaged 3,500 a month. By the end of the year it reached a level of 10-20,000 a month. It is now rising again. The estimated outflow for April was 25,000, and there are few signs that it will diminish in the immediate future. This is no minor phenomenon indicating localized discontent; it is an exodus. When a flow of people reaches these proportions, there must be something seriously wrong in the way in which they are being treated by their government.

Why the Exodus from Vietnam?

The situation in Vietnam is complex. The country has been disrupted by decades of warfare. It has recently suffered serious floods. There is a shortage of basic food staples and for a variety of reasons, the economy is in serious difficulty. Military activity has not ceased; Vietnam is engaged in military activity in Cambodia, and although open hostilities with China were short-lived, the tension on the border continues.

Are these factors the cause of the outpouring of refugees from Vietnam? It is our belief that while they are contributing factors, they are not at the heart of the problem. All evidence available to us indicates that human rights are being seriously disregarded in Vietnam and that there is a deliberate Vietnamese policy to rid the country of certain elements of its population.

The refugees face tremendous hazards in leaving. Many thousands have perished at sea, or as a result of attacks by pirates. It is a telling reflection of the situation in Vietnam that the prospect of such a fate should be more attractive than remaining at home. The precipitate outflow from Vietnam means that the refugees either will perish or will turn up unwelcome on the shores of countries which have their own serious social, political and economic problems.

Humanity demands that the countries of asylum take in the refugees and for the most part the response of the countries of Southeast Asia has been extremely generous. We might ask ourselves how Canadians would respond if thousands of individuals from any other country landed uninvited on our shores. With the increasing burden, and the resulting social and economic tensions, we are seeing an increasing tendency of the countries concerned to react less generously and to seek to discourage refugees from landing on their shores. The refugees then have no choice but to try another nearby country and, once again, to risk being rejected. A rigid policy on the part of

one country will cause predictable difficulties for others. Yet the refugees' fundamental right to leave must be respected, particularly as remaining, in the present circumstances, threatens their very survival.

International Response

A situation of such magnitude in humanitarian and political terms demands, and is receiving, an international response.

The countries most concerned with the Indochina refugee situation include, of course, the countries in the Southeast Asian neighbourhood which are providing temporary asylum to the refugees; those which have traditionally resettled refugees; and those which are major financial supporters of UNHCR programs. These countries, of which Canada is one, met in December and January under UNHCR auspices in an attempt to develop a co-ordinated international response to the situation.

UNHCR's Traditional Preference

The UNHCR seeks as a first preference to return refugees to their country if circumstances permit or, alternatively, to provide for resettlement in neighbouring countries. In the case of the Indochinese refugees, it is unlikely that in the foreseeable future they will be able — or indeed willing — to return to their countries. Furthermore, for political and sociological reasons, it is not possible for the great majority of them to be resettled in the countries of first asylum. In fact, of those involved, only some proportion of the Laotians in Thailand would appear to be able to be temporarily resettled in their country of first asylum. The High Commissioner has had to seek resettlement places for most of the 265,000 in his care in camps in Malaysia, Thailand, Indonesia, Philippines, Singapore and Hong Kong.

It is clear, however, that the situation cannot be addressed only in terms of finding resettlement places. The High Commissioner for Refugees must, with the support of the international community, ensure that each refugee is provided first asylum in the country on whose shores, or at whose frontier, he has arrived. Each refugee must be protected against forcible return to the country he has just fled. Each must be provided with the food, shelter and medical care necessary to ensure his survival. The UNHCR must, subsequently, seek to obtain a final resettlement place for him.

Vietnam's Responsibility

One must ask how the international community can respond in political terms to the problems created by Vietnam.

The answer is not easy to find. It is Vietnam's closest neighbours, the countries of the Association of Southeast Asian Nations — Indonesia, Thailand, Malaysia, Singapore and the Philippines — which are likely to have the greatest impact on the policies of their neighbour. The ASEAN countries are increasingly, but in low-key terms, drawing to Vietnam's attention the seriousness of the effects on them of Vietnam's policies. They speak too of Vietnam's responsibilities in terms of controlling the outflow and of managing the departures from the country in a civilized, humane way, not involving blackmail and danger. But they are also calling on Vietnam to create conditions from which people will not want to flee. They made these views known at a meeting in Jakarta May 15 and 16 which considered a proposal for an ASEAN refugee processing island. At that meeting, Canada and other countries also voiced their

concern. I might note that Canada made the same point at the UN General Assembly last December, urging that the Vietnamese Government make the necessary adjustments to its society to provide a place for each and every citizen.

ASEAN Island Transit Camp

I will digress here to comment for a moment on the ASEAN processing island concept. It is an interesting proposal, and one which we support. But as presently envisaged, the island camp will have a limited effect in relieving the existing pressure on the countries granting first asylum, and therefore on encouraging a more generous response on their part. The Indonesian island will accept from UNHCR camps, especially those in Malaysia, up to 10,000 refugees who have already been processed and selected for resettlement in a third country, but who for lack of quota places in the resettlement country must wait in camps in Southeast Asia for a lengthy period. It will be used primarily for those destined for the U.S.A. The Americans, by making use of their quota commitments for future years, can process numbers beyond their present quota. This would relieve pressure on the existing first asylum camps.

The difficulty is that the Indonesian island camp will be limited to 10,000 refugees. Five times that number of pre-selected refugees could be moved to such a camp almost immediately. If, therefore, the number to be accommodated by the island processing camp were to be greatly expanded, or if other facilities of a similar nature were to be created, the concept could have a significant positive effect on the over-all situation. As I have mentioned, however, the broader problem must also be dealt with at its source, namely in Vietnam.

Vietnamese Response

Earlier this year, Vietnam appeared to be partially responding to international opinion. After lengthy discussion initiated by Canada, Vietnam agreed to arrangements for procedures to facilitate the reunification of families of the 11,000 Vietnamese who have settled in Canada since 1975. The Vietnamese Government is demonstrating an apparent willingness to proceed with this important program. We greatly welcome these indications and hope that they will result in the earlier reunification of families too long divided. In a further positive development, Vietnam announced it would put an end to the outflow by sea by permitting an orderly movement of people, including family reunification, under the auspices of the UNHCR. This seemed to be a promising beginning. It does not appear, however, to be matched with domestic measures aimed at reassuring the large numbers of Vietnamese citizens that they have a place in their own country.

International Response to Gross Violators of Human Rights

I have commented at length on the refugee situation in Indochina as an example of the complexity of the issues that come into play in such a situation. I must say that we are frustrated at the inability of the international community to put an end to the systematic persecution which has created refugee situations in all parts of the world. Enforcement mechanisms do not exist. Prospects for reaching even broad agreement on the desirability of drawing international attention to bad situations are not promising. In realistic terms, the best we can do is marshal opinion and focus attention on the problem and its causes. In matters of conscience, an articulated expression of our concern, repeated and amplified throughout the world community, can be a potent influence. While not correcting the problem, it may curb its worst excesses.

Canada's Initiative

We feel particularly well-placed to concern ourselves with refugees and human rights because our country has responded generously to virtually every major refugee crisis since the Second World War. We have, since the War, taken in 350,000 refugees and displaced persons. We have also provided significant financing to the UNHCR for this important task. Our contribution in the five years from 1973 to 1978 totalled \$13 million. This year alone we are taking in 10,000 refugees and more through private sponsorship. We have allocated as much as \$4 million for support of the UNHCR and special refugee appeals and an additional \$5 million for international emergency relief for natural or man-made disasters. In addition we have contributed \$4 million to UNWRA (United Nations Relief and Works Agency for Palestine Refugees in the Near East), \$8.5 million to UNICEF (United Nations Children's Fund) and \$95 million to the World Food Program, all of which respond substantially to refugee and other serious humanitarian situations.

Therefore, at the Human Rights Commission this spring we determined to explore on a humanitarian and non-political basis the question of refugee outflows and human rights abuses. We tabled a resolution which noted concern about large-scale exoduses and the human suffering they cause, as well as the problems they create for the international community. Our resolution called upon all states to alleviate the conditions which precipitate such exoduses and to find enduring solutions for such situations. It asked that the Chairman of the Human Rights Commission — who was, by the way, Canadian Ambassador Yvon Beaulne — to appoint a special rapporteur to investigate situations which had led to large-scale exoduses in order to determine possible relationships between violations of human rights and these exoduses.

The Canadian draft resolution was favourably commented upon in debate by a few western states but apart from those, it was received in silence. Countries were silent, we believe, because they feared the implications of any such investigation given that refugee situations exist in all parts of the world. It was not possible to bring the resolution to a vote, but we plan to continue to explore it. The draft resolution did provoke discussion in corridors, and may thereby have exerted some moral pressure on the states of exodus.

Other Situations of Gross Abuses of Human Rights

In many countries human rights abuses occur but people cannot flee to tell the tale. They have either been imprisoned, killed or have disappeared. Increasingly, not only western countries but also some third world countries are coming to realize that the international community must in grave situations make its concerns felt. They are beginning, though very tentatively, to support "in camera" discussions, and subsequent contacts, with countries which appear to have serious human rights problems.

We hope that such contacts and subsequent investigations will become a matter of course. We hope that in the longer term, it will become inevitable, rather than exceptional, that the international community as a whole will take up the cause of victims of persecution.



Statements and Speeches

No. 79/11

CANADIAN DIPLOMACY IN THE 1980s: LEADERSHIP AND SERVICE

A Public Lecture by the Under-Secretary of State for External Affairs, Mr. Allan Gotlieb, under the Joint Sponsorship of the Centre for International Studies, University of Toronto, and the Canadian Institute for International Affairs, Toronto, February 15, 1979

People say many things about diplomacy, most of them negative. Of the three main traditional activities — reporting, negotiation and representation — all are said to have been overtaken by twentieth-century technology. Despatches from the field describing recent events, we are told, have been made redundant by the communications revolution. Why, people ask, do we need diplomats when we can just as easily, and much more cheaply, read press reports and watch television? Similarly, modern transportation systems are thought to have rendered the diplomat obsolete as international negotiator. After all, isn't it more efficient to fly teams of experts from Canada to speak for us in international negotiations? As for representation — the presence on the spot of our trusted and well-beloved ambassador — his role is reported to have been eroded by the speed with which his words and actions can be directed from the home office as well as by the ever-increasing contacts, both in person and by telephone, among world leaders and their senior spokesmen.

These assertions have some validity but they do not tell the whole story. A press item submitted by an anonymous and often non-Canadian correspondent may complement but cannot replace the thoughtful advice of an experienced foreign service officer who can size up a situation and bring a Canadian perspective to bear. Major negotiations do not take place in a vacuum; they must be prepared for and followed up by our representatives abroad who often have an important contribution to make to the negotiations themselves. And telegrams and telephone calls, while playing a vital role in knitting the world together, are no substitute for the continuity, knowledge and judgement which is expected of an ambassador.

All that being said, it is clear that the nature of diplomacy has changed, and that External Affairs, and other foreign service departments, must adjust with imagination to new and changing circumstances.

Tonight, I would like to talk about this and tell you how the foreign service is seeking to meet the high expectations of the Government for leadership and service.

Canadian diplomacy today is primarily concerned with the formulation and execution of government policy. I do not mean just "foreign" policy, at least in the sense in which that term is usually understood. The traditional distinction between foreign policy and domestic policy implies a hard and fast line which no longer exists, if it ever did. In fact, domestic and foreign policy are often the same, or closely welded parts of a single national policy, or integrated elements of a broad set of policies. It is

Canadian
diplomacy
today

the interaction between domestic and international affairs which provides the key to understanding the changing nature of Canadian diplomacy.

There are few areas of domestic affairs which do not have an international dimension. Almost every department of government today has to be concerned with international questions; and domestic issues are often linked to the international like coaches on a train. In fact, some of the newer departments have major international interests — for example, the Department of Communications and the Department of the Environment. In some areas of domestic policy, such as energy or fisheries, the international dimensions are obvious. But there are others where the links are not as apparent. Regional economic expansion programs, for example, appear to be of interest to Canadians alone. This is not the case. Financial incentives to locate in economically disadvantaged regions of Canada can, if the company exports its products, be regarded by some countries as export subsidies. These countries may try to stop what they regard as unfair competition through the imposition of countervailing duties. Thus the success of some regional economic programs depends directly on our efforts to explain and justify these programs to foreign governments. Similarly, a decision by a country to grant low rates of interest on loans to national manufacturers may violate an international agreement on exports. Other examples may be found in areas as diverse as agriculture, consumer protection, and transportation.

Equally, international affairs affect an increasingly wide range of domestic affairs. The Multilateral Trade Negotiations in Geneva influence and facilitate major readjustments of the industrial structure of the Canadian economy. The outcome of the Law of the Sea Conference will have a direct impact not only on the resource interests of our maritime provinces on both coasts but also, through the regulation of deep seabed mining, on nickel production in Ontario. Canada's economic well-being, including the rate of inflation, can be affected by oil cartels; and its social fabric by faraway political turbulence resulting in an influx of refugees.

The diplomat is often involved in providing advice to the government when it is faced with competing policy objectives. For example, issues such as peace and security require a long-term perspective which may conflict with objectives such as trade promotion. The same is true of human rights considerations; they may conflict with trade and even aid policies. Aid policies in turn may conflict with some of our economic objectives. Nuclear export programs have to be reconciled with our non-proliferation policy. In sum, few foreign policy objectives are free from potential conflict with other national objectives.

It is especially true that foreign policies can compete with regional and provincial policies. Regional policies can also be in conflict with each other and thus significantly impede the development and projection of a coherent foreign policy. And in Canada, growing decentralization will make the harmonization of foreign and domestic policies increasingly difficult in the 1980s.

All this leads to one inevitable conclusion: the management of foreign policy today, if it is to be done well, requires a mastery of an extraordinarily wide range of national

**The Foreign
Service
environment**

problems and policies cutting across many disciplines and streams of experience.

This conclusion becomes all the more evident in the light of the international environment, which has undergone rapid and fundamental transformation in recent years. I need cite only some of these changes:

- 1) a diffusion of power as reflected in the emergence of new leading states whose leverage may be of an economic, political or military character, and as reflected in the emergence of polycentric communism;
- 2) profound new stresses on Western economic and financial systems;
- 3) the articulation of demands by developing nations for a new international economic order;
- 4) an upswing in efforts to solve all kinds of problems by multilateral means;
- 5) a growth in the number and variety of international institutions to the point where they may have become too unwieldy and inflexible to meet the demands placed upon them;
- 6) the continued development of increasingly sophisticated arms technology and its wider diffusion.

There are new domestic stresses as well. Balancing the shifting interests and aspirations of different groups and regions within Canada, during a period of relative economic difficulty, is not easy.

In this type of international and domestic environment, the Secretary of State for External Affairs and his Department are expected to manage Canada's foreign relations on behalf of the Government.

It is right, therefore, to ask whether the Department can effectively meet the challenges it faces — at home, and in relation to other states and major international institutions. More to the point would be to ask whether the Department can cope at all.

To be frank, the magnitude and pace of change require an extraordinary effort.

**The
Department:
1957 and 1977**

When I joined External Affairs as a junior foreign service officer in 1957 there were, I think, no serious challenges to the Department's authority to manage the conduct of Canada's international relations. Throughout Canada, international relations were regarded as the proper responsibility of the federal government. Within the federal government the Department had a clear mandate to lead in the formulation of foreign policy and the management of Canada's bilateral and multilateral relations. As a young man interested in foreign policy and international affairs it was clear to me that I could satisfy my career interests only in External Affairs.

The country's confidence in the Department's ability to fulfil its role was reflected in the attitudes of foreign service officers towards their work. They had a clear idea of the role of the Department in Canada and the role of Canada in the world. Inevitably, the day-to-day business of bilateral and multilateral diplomacy consumed much of the energies of the Department. But beyond this, there existed a sense of purpose which informed all activities and gave them coherence. We had emerged from the Second World War strong and confident. We saw and embraced the opportunity to help build the peace. We showed a particular aptitude for the design and construction of international political and economic institutions.

Peace and security were the chief international priorities of the Government; its primary focus, notwithstanding the recognized need for NATO, was on the United Nations. The goal of peace and security, although it clearly served Canada's national interests, was not conceived in narrow terms. The Government saw itself as a viable intermediary in international disputes and Canada was able to make a major contribution to the peaceful resolution of situations threatening international stability. The correspondence of national objectives and international circumstances was unique.

When I returned to External Affairs in 1977 after an absence of eight and a half years, a very different situation prevailed. The sheer growth in the size and scale of operations had had an enormous impact on the Department. In 1957, the Department employed, in Ottawa and abroad, about 1,800 persons. In 1977, there were more than 5,000 — an increase of about 300 per cent. The 61 diplomatic and consular missions abroad of 1957 had increased to more than 115 by 1977.

The increase in the size of the Department was the response to the extraordinary increase in the complexity of both government operations in Canada and Canada's international relations. The first factor is important. Managing a foreign service in a vastly larger web of government financial and personnel regulations proved to be enormously demanding of time and resources. But the second factor, the changing international affairs environment, probably placed even greater demands on the Department.

The handling of some international issues was well done, particularly where this drew upon traditional departmental areas of expertise such as in our participation in the United Nations and in maritime resource conferences and negotiations. The Department also made great efforts to respond to the emphasis in the late 1960s and 1970s on achieving national objectives reflecting the national interest and succeeded admirably in some areas. I can cite the skills with which the Department responded to the growing challenge of national unity and the need to act abroad as a bilingual country reflecting our cultural heritage and provincial interests. New offices and embassies were opened, new headquarters units created, new aid programs rapidly developed and personnel trained. The Department pioneered in multilateral institution building in the francophone world.

But problems developed in some areas. As economic programs and the number of

government agencies and departments increased, External Affairs continued to play a strong role in the international economic field. Nevertheless maintenance of this role became increasingly difficult in recent years. The growth of CIDA, the expansion of international financial institutions, the energy crisis, growing economic interdependence, the North-South dialogue — these are but a few developments that made the Department's co-ordinating role more and more difficult, often challenged, and increasingly put in doubt.

Moreover, some new and critical international issues were approached cautiously and there was a hesitancy about taking new initiatives in some areas. There was too much reliance on describing events and not enough emphasis on analyzing them, particularly with a view to providing the Government with timely policy guidance. But the Department also seemed to lack a clear and distinct idea of its role within the burgeoning international affairs community in Ottawa and elsewhere in the country. Equally, that community was uncertain in its perception of the Department. There was a feeling — general and diffuse to be sure — within and outside the Department that External Affairs had not yet decided on its role in the wake of substantial changes in the international and domestic environments which had occurred in the 1970s.

A "taking stock" of these changes and the determination of the appropriate departmental response, both in organizational and substantive terms, was my highest priority on my return to External Affairs.

The Government, both at the political level and in the Privy Council Office, wanted this stock-taking and supported it. There was a growing realization in government that a strong foreign affairs role was needed and was an essential element in the process of handling and resolving many of the country's most pressing challenges. A sharp focal point was missing for the resolution of competing policies relating to international issues.

With the strong support and endorsement of the Secretary of State for External Affairs, we approached this challenge by asking ourselves the following questions:

- 1) What does the Government expect of the Department?
- 2) What authority does the Department have and need to meet its responsibilities?
- 3) What changes, including structural changes, must be made at headquarters and our posts if the Department is to achieve the Government's objectives?
- 4) What personnel policies are required if the foreign service is to meet contemporary challenges?

In addressing these questions, I was convinced that the Department, if it were to meet its responsibilities for the management of Canada's international relations, must become a modern central policy agency.

**The
Department
as a central
agency**

Within the government there are a few departments and agencies which have traditionally been regarded as central agencies; these include the Privy Council Office, the Treasury Board Secretariat and the Department of Finance. Perhaps less appreciated is the fact that External Affairs falls into this category. It is part of my purpose to ensure that this is understood and that the Department acts accordingly.

The central agencies are regarded as sources of advice to the government on the broad range of its national policies and programs. Each central agency approaches its task from a unique perspective. It is expected to bring the work of individual departments into harmony with government-wide programs and policies. Each central agency has a responsibility to advise not only its own Minister but also, under his authority, the collectivity of Ministers. Central agencies not only co-ordinate and consult, they lead on key issues of national policy. Central agency activity is thus crucial to the process of interdepartmental policy development and fundamental to the coherence of government policies.

The Government considers the Department of External Affairs to be a central agency because it has a responsibility to provide other departments with coherent policy and priority guidance covering the full range of Canada's international relations. It is expected to ensure that the international dimensions of all Government programs are integrated, consistent with, and served by, the Government's policies and priorities at home and abroad. To do this effectively the Department must exercise both day-to-day and long-term influence over the balance and direction of other departments' international activities.

If domestic policies with foreign dimensions are improperly co-ordinated with external policies, or are inconsistent with Canada's international goals and objectives, we in the Department are obliged to intervene. We must understand, analyze and advise other departments of trends in the international environment which may affect the substance or timing of proposed initiatives. We must relate the expertise and sectoral policy objectives of other departments to our own expertise and the Government's foreign policy. Although we have certain program responsibilities, such as consular services or information programs, we are essentially a central foreign policy management agency.

Our primary objective should be to exercise creative leadership on issues and programs with important international dimensions. The Secretary of State for External Affairs and his ministerial colleagues, and indeed the Prime Minister, must receive sound and timely advice from the Department on the formulation and management of Government policies from both the national and international perspectives. The Department should contribute to the definition of Canada's national interests and goals; it should also establish and maintain a positive sense of direction towards them. We in the Department must work to achieve maximum coherence and good sense in the system as a whole based on our reading of Canada's aggregate national interest.

A major aspect of this leadership role revolves around the question of establishing

priorities to reflect the needs of the government. The priorities of the Department, both at headquarters and in our missions abroad, must be the priorities of the government as a whole. Without priorities, a foreign office can become haphazardly and indiscriminately involved in all aspects of international relations. We must select or recommend issues for priority attention, and allocate and manage our resources accordingly. What is required is a thorough knowledge of government and of the international environment which gives us a sense of what is important and what is not. The international economy, national unity, certain bilateral relationships, human rights and energy diplomacy are clearly of major concern. At the same time we must ensure that less prominent issues are not lost from sight under the pressures of the current agenda.

The exercise of leadership is complemented by the provision of service to the Canadian foreign policy community inside and outside the federal government. We must try to ensure that all those who contribute to policy formulation — e.g. parliamentarians, provincial officials, journalists, academics, business or labour leaders — receive foreign affairs information and services tailored to their individual needs. Thus, under the authority of the Secretary of State for External Affairs, we provide briefings on foreign policy issues to parliamentarians. We have also made special efforts recently to improve the quality and timeliness of the foreign-policy information flow to other departments, and of this and other services to those outside the federal government. In whatever we do to provide service, we are conscious of the fact that, in an open society like ours, the interests and concerns of the public as a whole must be reflected in foreign policy.

**Formal
credentials and
informal
arrangements**

The Department's authority to act as a central agency is supported by a combination of formal credentials and informal arrangements. The formal credentials include legislation, Orders-in-Council pursuant to legislation and in exercise of the Royal Prerogative, an array of Cabinet decisions and directives, and an extensive body of custom and precedents. I regard as of prime importance the authority of the Secretary of State for External Affairs to sign all submissions to Council concerning international agreements of a binding nature, and to approve and make recommendations to Cabinet on the size and composition of delegations to international conferences.

Although there is no doubt that the Government regards the Department as a central agency, our efforts to exercise this authority run into problems which differentiate External Affairs from other central agencies. A comparison with the Treasury Board demonstrates this difference. Treasury Board oversees and controls the budget expenditures for all government departments and agencies, and establishes the administrative policies of the government as an employer. Government departments and agencies do not have a choice whether to go through Treasury Board. All budget estimates must go through the Board, which co-ordinates the estimates and exerts considerable control on their final form before they are passed on to Parliament.

Given the relative lack of formal levers of mandatory control over the international activities of other departments and agencies, the Department must, if it is to fulfil its

responsibilities, rely largely on informal arrangements. Accordingly, in an effort to consolidate and enhance the Department's role as a central agency, we have sought to augment these arrangements. We have concentrated on four distinct but inseparable areas of international relations activity:

- 1) supporting the Minister in Cabinet and Parliament;
- 2) providing leadership in the interdepartmental community in Ottawa;
- 3) strengthening the Department's organization at headquarters;
- 4) strengthening Canada's posts abroad.

**Supporting
the Minister
in Cabinet and
Parliament**

The Government of Canada is responsible to Parliament which in turn is accountable to the people. The Government decides the way in which it organizes itself to formulate policy; the Department, in turn, must organize itself to serve the needs of the Government. Cabinet is subdivided into a system of committees, each with a specific co-ordinating or operational responsibility. The different Ministers in a committee bring their own perspectives to issues before the committee. Through discussion a consensus is forged and the committee then makes a recommendation to the Cabinet as a whole. Although it is in Cabinet that final decisions are taken, the committees provide the key to understanding the current process of Government policy formulation. The Secretary of State for External Affairs defines and proposes the foreign policy framework within which recommendations of his Cabinet colleagues are considered. Our Minister's responsibility is reflected in his functions within the Cabinet committee system. He chairs the Cabinet Committee on External Affairs and National Defence and participates in the key Committee on Priorities and Planning among others.

The Department must determine how it can improve its support to the Minister and, through him, the Prime Minister and the Government. Recent international and domestic developments place greater emphasis on anticipation and timeliness. The Department must be aware of the concerns and objectives of other departments and agencies. I have strongly encouraged members of the Department to expand and strengthen their interdepartmental contacts, especially with other central agencies. The Minister must be kept informed on a continuing basis of issues as they develop. I believe we are getting better, but there is still room for improvement.

**Providing
leadership at
the inter-
departmental
level in
Ottawa**

The Department's central agency responsibility requires it to provide foreign policy leadership at the interdepartmental level in Ottawa. It exercises this responsibility in part through its chairmanship and membership in various interdepartmental committees and agency boards established to maintain and promote coherence in the management of Canada's international relations. I would cite three committees as particularly important.

In recent months, at the request of the Prime Minister, a Committee of Deputy Ministers on Foreign Policy has been formed under my chairmanship. It addresses

broad policy issues and current hard questions of interest to other central agencies, key domestic departments, and domestic departments with substantial interests abroad. Examples are preparations for economic summit meetings, defence issues, and relations with key industrial countries.

The Under-Secretary chairs the Interdepartmental Committee on Economic Relations with Developing Countries which has a broadening mandate to preside over the development of Canada's economic relations with the Third World. It shapes instruments of policy such as our program of development assistance. It also deals with a broad range of Canadian trade and financial issues as they affect our relations with developing countries. Also important in dealing with Canadian relations with the developing world is the membership of the Under-Secretary on the governing or advisory boards of the Export Development Corporation, the International Development Research Centre and CIDA.

The most important committee for the management of Canada's international operations is the Interdepartmental Committee on External Relations, commonly referred to by its initials, ICER. The fact that there are three departments operating a foreign service is often overlooked: in addition to External Affairs there is the Trade Commissioner Service of the Department of Industry, Trade and Commerce, and the Immigration Service of the Canada Employment and Immigration Commission. There are also several departments and agencies, such as CIDA, National Defence, RCMP, National Revenue, and National Health and Welfare which maintain program officers in Canadian posts abroad. Indeed of the 1,130 program officers abroad about 60 percent are from departments other than External affairs.

Given the variety of sources from which Canadian representation abroad is drawn, the Government, in 1970, created ICER. Its purpose is to promote the integration and coherence of our operations abroad. Membership is at the deputy minister level and includes representatives from the foreign service departments, other departments with significant operations abroad, the Secretary to the Cabinet and the Secretary to the Treasury Board. The Under-Secretary of State for External Affairs is Chairman of ICER in recognition of the Department's leading role in the area of international relations.

After an initial period of success in the early 1970s ICER began to stagnate somewhat. The momentum towards foreign service integration gradually dissipated. Hard-headed resource allocation in accordance with changing priorities was largely unnecessary because of the continuing availability of additional resources. This meant that ICER working groups could take existing program levels for granted and concentrate instead on allocating new resources.

My return to the Department coincided with major changes in the environment in which ICER had been operating for some years; the era of expanding resources was over and the period of government restraint had begun. As a consequence, the need for coherent resource allocation for the foreign service as a whole became the major priority of ICER. The Government decided to renew the original goals of integration and operational coherence.

It was also clear that ICER had to place greater emphasis on co-ordination of our operations abroad in accordance with the priorities of the Government — including restraint. In the past year my ICER colleagues and I have agreed to procedures designed to improve the operations of our posts. These include:

- 1) instructions clarifying the role, and reaffirming the authority, of the Head of Post, including his line authority over all operations at the post within the scope of the approved programs;
- 2) agreement to establish a new, strengthened interdepartmental inspection service covering the operations of all posts on a regular basis;
- 3) agreement to create a system for the appraisal of the performance of all Heads of Post according to interdepartmentally-agreed criteria and standards;
- 4) ensuring that all posts are brought under a uniform regime of administrative procedures.

These ICER decisions have brought us closer to achieving the goals of coherence and co-ordination of Canada's operations abroad.

I'll return later to why I think strengthening the role of Head of Post is so important for the achievement of Canada's national objectives.

Strengthening headquarters organization

The central agency concept is the basis for the organizational reforms at headquarters introduced in the summer of 1977. A new level of authority was established — that of Deputy Under-Secretary. Five Deputy Under-Secretary positions were created, corresponding to the five major sectors of departmental operations — political, economic, administrative, security and intelligence, co-ordination and public affairs.

Within each of these very broad sectors there now exists a clear focus for both day-to-day operations and policy formulation and implementation. Senior and visible centres of authority within the Department enable officials of other departments, as well as other governments and the public, to obtain quick and comprehensive answers, information and advice from identifiable and responsible individuals. A Deputy Under-Secretary's seniority gives him the authority to participate in or chair meetings involving other high-ranking officials and to attend as senior advisor to the Minister in Cabinet committees.

For the first time in, I suspect, many many years, virtually all political questions fall under the authority of one political officer. The Department has now, following the European model, a political director.

Each Deputy Under-Secretary has line authority. He has the power as well as the responsibility to resolve conflicts among the various bureaux. In the immediately preceding organization, the senior level, the Assistant Under-Secretaries, did not have line authority as they had had in earlier years: the Directors General of the bureaux

reported direct to the Under-Secretary. This caused problems. There were so many officers reporting direct to the Under-Secretary that effective management was extremely difficult to achieve. There was no one in the organization other than the Under-Secretary who could resolve disputes among the bureaux. This led to long delays flowing from a reluctance by bureaux to seek a solution at the highest official level. As an alternative they would sometimes pursue and eventually achieve a lowest common denominator kind of decision. This was not necessarily the wisest or best decision.

One level below the Deputy Under-Secretary level there are now four Assistant Under-Secretary positions. Unlike the Deputy Under-Secretaries, the Assistant Under-Secretaries do not carry line responsibilities for specific areas of departmental operations.

They provide senior level capacity to take on the management of individual major issues when they are assuming crisis proportions, require undivided attention at a senior level or are bogged down in intra- or inter-departmental policy conflict. The task force established to monitor the situation in Iran, institute and oversee plans for the protection and, as it turned out, effective evacuation of Canadian citizens, is, for example, headed by an Assistant Under-Secretary. The assignment of specific problems like this to designated senior officers improves the timeliness and effectiveness of our service to the government. Our capacity for service has also been improved by recent reorganizations of some bureaux and the establishment of special co-ordinators for certain areas such as disarmament and development policy which cut across several sectors of departmental operations.

Organizational changes in isolation cannot, of course, guarantee that the Department will meet its central agency obligations. As in other central agencies, our primary assets in exercising leadership and serving the needs of government are the information we have at our disposal, the quality of our judgement, and the vigour and effectiveness with which we deal with a wide range of inter-related policy issues usually handled by more than one department. In meetings with managers of bureaux and divisions and other officers, senior management has stressed the importance of initiative and imagination to the successful attainment of central agency goals. Every officer of the Department must strive to identify and come to grips with emerging issues before they are presented as a *fait accompli*.

Strengthening our Posts

So far, my description of the efforts to build a modern central agency may have created the impression that all our efforts at renewal and strengthening have been concentrated in Ottawa. Clearly, this was the place to start. But any suggestion that our posts abroad are, as a consequence, marginal to the successful operations of a central agency would be totally unjustified. A foreign office without a strong foreign service in the field would be deprived of the information, advice, analysis and guidance that is essential if it is going to play a full central agency role in Ottawa. Even more important, it would be deprived of the leadership that can be provided by a strong Head of Post capable of promoting Canada's interests in the country of accreditation.

There are certain aspects of the central agency role abroad that should be highlighted.

The Embassy abroad is a microcosm not of the Department of External Affairs, but of the whole Government of Canada. Ambassadors represent all government departments, indeed all ministers, the Prime Minister, the Crown and the provinces and the public — not necessarily in that order. Under their direct supervisory authority are, in all probability, officers of other government departments implementing programs of trade, aid, defence, security and immigration among others. Thus ambassadors must have an outlook as broad as their responsibilities. Their skills cannot simply be diplomatic ones; they must be programmatic as well. Ambassadors must be very knowledgeable, both of Canada and the country of accreditation. He or she must be a good manager, not just of finances but of people. And more than this. He or she must be creative and committed — a leader, capable of leading on a variety of questions at the same time. This is a big responsibility. Knowing what we do about the interdependence of countries in the contemporary world, of our own dependence on others, of the importance of our economic and political objectives, of the multiplicity of Canada's interests, of the interests and well-being of individual Canadians, we must recognize that the ambassador has a task that is today more important than at any time in the past.

I must emphasize again that the central agency concept places responsibility and accountability for all post programs with the Head of Post. This means that Canada's Heads of Post — our ambassadors, high commissioners, consuls general and consuls — must have the recognized authority to take the action necessary to meet this requirement. In the past, there has, regrettably, been confusion over the question of authority. In some posts the head of a program, such as public affairs or trade, may be an officer of the same seniority as the Head of Post. Jurisdictional disputes at the post sometimes arise. This is no longer acceptable if we are to achieve our goals as a central agency.

I have already mentioned the document recently issued by ICER setting out in clear terms the authority and responsibility of the Head of Post. The document states that the Head of Post represents not one department but the Government in general and, under the authority of the Secretary of State for External Affairs, assumes direct responsibility for all post programs. It makes the point that individual program managers must consult their Head of Post for approval of the planning and implementation of all program objectives. It establishes unequivocally that the Head of Post is accountable both to the Secretary of State for External Affairs, and to the relevant deputy ministers, for the conduct of program activities in their respective jurisdictions. This last point is, I think, an important innovation because it clarifies the direct responsibility of the Head of Post to all deputy ministers, within the context of a coherent foreign policy management system, for their departments' program interests abroad.

The selection of persons to fill Head of Post positions proceeds with great care. Although External Affairs officers fill the majority of Head of Post positions, persons from other foreign service departments, other departments in Ottawa, and from

outside the Public Service are also appointed. As the international affairs environment becomes more complex and important to Canadian interests, great care must be taken when appointing Heads of Post to put the right person in the right place. Some of our Head of Post positions are among the most important and demanding positions in the Public Service today. Those representing Canada in key industrial states and major international organizations have responsibilities equal, in my view, to those of a deputy minister.

This is why I believe that of all the responsibilities that are placed on the Under-Secretary of State for External Affairs, the most important is that of making recommendations to the Secretary of State for External Affairs and the Prime Minister for appointments by Order-in-Council to the post of Ambassador. There are procedures laid down within ICER, recently revised and strengthened, for soliciting suggestions from other foreign service departments for persons qualified to be considered, among others, for particular positions of Head of Post. These procedures must be followed carefully and fairly. But the responsibility falls on the Under-Secretary to ensure that the persons he alone recommends are of outstanding quality and worthy of the special trust and responsibility to be conferred upon them by their high appointment.

Personnel policies

I cannot overemphasize that the central agency concept ultimately stands or falls on the quality of foreign service personnel. As government and international affairs become more specialized and technical, the Department runs the risk of being left behind if it is unable to adapt. It is essential that departmental personnel deepen their knowledge of government and acquire special skills which are not at present fully developed within the foreign service. The efforts the Department is now making in personnel management are, in my opinion, perhaps the most important steps towards achieving the central agency concept.

Before discussing these efforts, however, I would like to underline the difficulties of personnel management in the foreign service. We are always faced with the possibility of entirely new, and often unforeseen, demands on the collective talents and expertise of the foreign service; and these demands can play havoc with attempts at rational career planning.

I can illustrate this point by recalling our participation in the Indochina Commissions. In July, 1954 we had no one serving in Indochina, very little knowledge of Indochina, no plans to send anyone there, and no direct interests. By July, 1955 the political staff of the Canadian delegation to one of the three Commissions was roughly as large as the equivalent staff of the Embassy in Washington. After a few years, the Department had more officers with experience in Indochina and knowledge about that part of the world than it had in any other single area of political work. And all this where, just a few years before, we had neither interests nor knowledge!

It is to the great credit of departmental managers and personnel that the foreign service coped with this kind of situation as well as it did. Although the unexpected could happen again, it seems more likely now that we can envisage a period of relative

stability in both the size and shape of our efforts. We thus have a particular opportunity to develop sensible long-term planning, designed to stabilize the careers and deepen the experience of personnel in the areas which are essential to them and to the Department if we are to function effectively as a central agency.

Historically, nothing has excited discussions of foreign service personnel management more than the generalist-specialist debate. Personally, I think that neither the pure generalist nor the pure specialist, if there were such people, would be very useful in a contemporary foreign office. The good foreign service officer must be both.

It is just not possible to co-ordinate or lead a policy review, let alone participate in one, in such areas as fisheries, outer space, maritime boundaries, technological transfer, commodity funding, energy planning, to name a few, and not be very knowledgeable in the area. It is also not possible for a foreign office to function if it lacks flexibility to assign personnel to take on all sorts of tasks in any number of places. So we are pushing several approaches which I believe can help.

Mid-career streaming

First is the concept of mid-career streaming which has just been introduced. Officers are being encouraged, after approximately five years in the Department, to focus on one or two broad areas or sectors of departmental operations. Headquarters assignments are being co-ordinated with postings abroad to enable officers to deepen their knowledge of these areas by working in them for a period of a decade or more. The goal is the creation of an officer group retaining a generally well-rounded background but with a greater depth of knowledge in selected fields. Areas of streaming are fairly broadly defined and an officer can pretty well choose his or her own mix.

Temporary transfers of officers

An important part of the streaming process is the expanded use of temporary transfers of officers to other departments for periods of two, three or more years. This is our second approach. An officer working on energy matters will, for example, be given the opportunity to acquire increased experience and expertise through a secondment to the Department of Energy, Mines and Resources. Secondments into External Affairs from other departments are also being encouraged because they provide a means of bringing into the Department specialized skills which may be lacking or in short supply. The Department is setting a target of the number officers seconded in and out: it is more than one hundred. I hope that every foreign service officer will, as a part of his or her normal career, have at least one secondment to another government department, or provincial department or university or business institution.

Lateral entry

Also worth mentioning, and this is a third approach, is lateral entry into the foreign service. In the past, it has been very difficult to enter the Department at other than the most junior level. While there were good reasons for this, it deprived the Department of the opportunity to recruit into its permanent ranks more senior personnel from the public service, private sector or academic community. A new lateral entry policy is being examined which, if it works, will enable the Department to recruit such persons on a highly selective basis.

**Slower
rotation
process**

Fourth, we are trying to slow down the process of rotation, of alternating assignments at headquarters with postings. This will enable officers to increase their specialist expertise and knowledge of government operations. Foreign service officers are often at a disadvantage in the "interdepartmental game" because they usually serve in a particular job in headquarters for just a few years and then they are posted. It is difficult for them to develop essential contacts in domestic departments — contacts they need to alert them to emerging issues. While I recognize the serious consequences of a change in rotational personnel policies, the Department must, at a minimum, slow up significantly the rotational process if our officers are to achieve the necessary level of effectiveness in Ottawa.

The professionalism of the foreign service will not, I believe, be threatened but will be enhanced by these measures, which are the logical and essential extension of a central agency role.

I am also becoming increasingly conscious of the difficult personnel problems which now face the foreign service. In any year over 25 percent of our rotational employees are reassigned to a new headquarters position or sent to a new post. Trying to find the most suitable person for a given job has always posed problems for the Department. In recent years, however, the problems have deepened, and not only as a result of the rapid growth of the foreign service.

In many countries where we now have posts, local conditions have become quite difficult. Aside from increased dangers to health, there now exist, in a number of places, serious risks to personal security. Also, schooling in many countries is below Canadian standards. Families must often leave their children in Canada either in boarding schools or with family or friends for periods of up to three or four years. While the government does pay for schooling and periodic trips for children to visit their parents at their posts, this is not sufficient compensation for many people. The Department has always been deeply concerned with these problems, and always will be.

Another serious problem, and one over which the Department has very little control, concerns the careers of persons married to foreign service personnel. This problem primarily affects male employees with working wives, although female employees are increasingly experiencing the same problems with working husbands. When an employee is posted, his or her spouse must, in almost all cases, interrupt or give up a career to accompany the employee to the post. In recent years the problem has become acute as more and more wives pursue careers. While this is a laudable social phenomenon, it places great pressure on many of our personnel. The loss of a second income can cause difficulties; even more important, however, is the sense of loss felt by a spouse obliged to abandon a personal career because the Department of External Affairs needs a First Secretary in a faraway place. In many countries the spouses of diplomatic personnel are forbidden by law to work, or local conditions make employment very difficult. Every year, the number of personnel caught in this situation grows. I have given much thought to this problem and I have sought proposals for mitigating the difficulties. I am glad to say that we have been able to

conclude reciprocal agreements with more than ten countries enabling spouses of foreign service personnel to work and are actively seeking to make similar agreements with several other countries. This step will not resolve the problem completely for all those affected but it is in the right direction.

It is against this background that we must examine the old charge that the Department is a closed shop, an elite which does not admit outsiders. People have often suggested to me that we should recruit many more persons from outside the Department on a "one-time-only" special assignment basis. I understand this attitude and, indeed, we assign people on this basis, consistent with our open attitude towards secondments. At best, however, this policy has its limits.

Our personnel take up difficult postings for different reasons, including professional pride, interest in the particular country or region, and a spirit of adventure. But they also do so because they view the foreign service as a career in which difficult postings will be alternated with physically easier ones. Many people from outside the Department who volunteer their services are happy to go to London or Paris or New York; when some of our other posts are mentioned, their enthusiasm quickly evaporates. If a large number were sent on a single-assignment basis to our easier posts, these posts would become closed to our own personnel. This is unacceptable. It would make our own professionals second-class citizens. A policy of large-scale recruitment of people from outside — even if exceptionally well-qualified — for postings to attractive and easy posts would destroy the morale and, ultimately, the quality of Canada's foreign service. It is thus especially important that those recruited through lateral entry fully accept the conditions and range of postings long accepted by those already in the service.

Despite the difficulties, we still manage every year, after terrible struggles and agonizing decisions, to fill all positions at headquarters and abroad. For one brief, glorious hour or day, seldom longer, everyone is in place and the system is in equilibrium. We all take a deep, collective breath and then the whole process of reassignment and posting begins again.

The Department's effectiveness as a central agency will be severely tested in the years ahead. How well we do will depend first of all on the quality and timeliness of our collective judgement, expression, expertise and leadership. One constant remains: the foreign service provides an unparalleled opportunity for the development of excellence. The management innovations I have described are all designed to exploit and develop to the fullest the talent of all our personnel and to encourage excellence.

The fragile interdependence of domestic and international realities and policies requires astute management if Canada is to meet its national objectives in the 1980s. A professional foreign service, for its part, must be seen as an essential vehicle of statecraft. The Government recognizes this and has demanded the very best from the Department of External Affairs; we must ensure that we offer to Government the leadership and service which are expected of us.

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Statements and Speeches

No. 79/12

CRISIS IN SOUTHEAST ASIA: HUMANITARIAN AND POLITICAL ASPECTS CAN'T BE SEPARATED

A speech by the Secretary of State for External Affairs, the Honourable Flora MacDonald, to the United Nations Conference on Refugees, Geneva, July 20, 1979.

We are convened by tragedy. Though Canada welcomes this conference, indeed urged that it be held, we deplore the circumstances that have made it necessary.

I need not describe the plight of the hundreds of thousands of refugees from Southeast Asia who are suffering — even dying — at the very moment that we meet. Those facts are well known to everyone here. They are well known to the Canadian people as well, and Canadians have responded.

My country has a tradition of welcoming refugees to its shores. Since World War II Canada has resettled more than 350,000 refugees from various parts of the world — a significant number for a country with our population.

And Canadians continue to respond to the call of people in distress, specifically in regard to the Indochinese. From 1975 to the end of 1978, 9,000 refugees from that area came to Canada. Last December the Canadian Government announced that it would resettle 5,000 Indochinese in 1979. Recognizing the growing seriousness of the situation we increased that figure to 12,000 in June. At the Tokyo Summit my Prime Minister confirmed that we are prepared to do even more.

My government recognizes that countries of first asylum must be encouraged to continue to accept refugees fleeing the brutality in their own lands. Asylum countries must be assured that resettlement places are available in other parts of the world. Recognizing that such assurance is necessary, two days ago my government announced that it will accept up to 50,000 Indochinese from this year to the end of 1980. This means, in effect, that the countries of first asylum can count on Canada to accept up to 3,000 refugees a month. With this commitment we are trebling the rate of acceptance of these unfortunate people. We challenge other countries to follow this lead.

Delegates might be interested to know that the program we have introduced to fulfil this commitment is one of partnership between the Canadian Government and private citizens and organizations. The Government of Canada will sponsor one refugee for each refugee receiving private sponsorship. The response of our people has been immediate, and it has been strong. I have no doubt that we shall reach our objective.

The role of our provincial governments cannot be overlooked. It is they who provide many of the services on which refugees must rely during the resettlement period. We have consulted with them closely, and they have greeted our proposals with encouragement and support.

It is through resettlement that Canada can make its major contribution to relief of the disaster in Southeast Asia. But we also recognize that contributions must be made to the United Nations High Commissioner for Refugees' Indochina program.

At this point, Canada wants to pay tribute to the High Commissioner for Refugees and his staff for the compassionate assistance they have been giving to the victims. We have great admiration for the devotion his organization has shown while working in the most trying circumstances. Without the protection and care that his people have provided, and without the arrangements they have made to resettle refugees, the misery would be both greater and more prolonged. We assure him of Canada's full support for his efforts.

In the past, we have made substantial financial contributions to the High Commissioner's efforts. Last December Canada doubled its annual contribution to \$2 million. In April, a special \$700,000 contribution was made to the Indochina program. I am pleased to be able to announce today that my government is making a further half-million-dollar contribution to this program. We recognize the need; we know the program; we are pleased the money will be so well spent.

By outlining the actions the Canadian Government and the Canadian people are taking, I hope that I have established the seriousness with which my country views the current situation. We are prepared, we are willing — and indeed anxious — to make our best effort to alleviate the suffering inflicted on so many people by the actions of their own governments. We urge other countries to find the humanity in the souls of their nations to make similar efforts.

But alleviating the suffering is not solving the problem. To lower the fever is not to eradicate the infection. It is the cause of the problem we must address. We must identify the reason for this crisis and deal with it.

It is agreed that we are here to treat the crisis from a humanitarian point of view. But let us be clear about the use of the term "humanitarian". One cannot arbitrarily separate out aspects of the problem such as first asylum or resettlement and term them humanitarian, and then dismiss the root causes of the exodus as political. It is no less political to urge countries to maintain a generous first asylum policy, or to provide financing for the care of refugees, than it is to urge the countries of exodus to abandon the policies causing the outflow and the practices that abet it. It is no less humanitarian to demand, as Canada does, that they deal with their citizens without discrimination and in a humane manner. It is our humanity that cries out for an end to this flagrant, this continuing, this outrageous violation of human rights.

We have examined with care the High Commissioner's Note of July 9 and find ourselves in broad agreement with his analysis of the situation and with his suggested plan of action. We believe it is particularly important to emphasize the inter-related nature of steps to be taken. One aspect of the solution cannot be separated from the other. The plan will be ineffectual if the countries of exodus — Viet-Nam, Kampuchea and Laos — do not accept their responsibilities. The international community holds

them responsible for the fate of all their citizens. Certainly their citizens must be able to exercise the fundamental human right to leave their homeland if they so wish. Canada has repeatedly stressed the obligation of all countries to honour this basic right.

But the governments of the countries of exodus have the paramount responsibility to ensure that departures of their citizens take place in a safe and orderly manner, and without threat or penalty of any kind. The international community rejects as an unconscionable violation of human rights the attempt to expel or otherwise eliminate any ethnic community or any socio-economic group. Only if the countries of origin respond to these humane and just demands will it be possible for the problem to be solved rather than the symptoms merely alleviated. This must be fully emphasized in the summing-up of our meeting.

Canada thanks you for calling this meeting. It is a tribute to your high office, and to yourself, that your call has had so large a response. Canada is doing what she can in these dreadful circumstances. May no country leave this hall unable to say the same.



Statements and Speeches

No. 79/13

CANADIAN ECONOMIC RELATIONS WITH LATIN AMERICA

A speech by Mr. Jacques Gignac, Assistant Under-Secretary of State for External Affairs, at the Plenary Meeting of the *Forum das Americas*, Sao Paulo, Brazil, June 12, 1979

First of all, I would like to say how honoured I am to be given the opportunity to address such a distinguished audience from all parts of the continent and to bring you salutations from Canada, which I have the privilege of representing at this important congress. I would like to congratulate the organizers of the *Forum das Americas* for their valuable initiative as well as to thank them for their warm hospitality in their great country and this great city. I wish you well for the success of this meeting, which is a remarkable premiere. The economic integration of the continent is an enormously challenging task, for it has as its ultimate goal the development of all of the countries and people of Latin America and the Caribbean.

We had a general election in Canada last month, as you probably know. It brought about a change in our government with the victory of the Conservative Party at the polls on May 22, and a new Cabinet was formed on June 4. I am pleased to report that among her very first remarks to the press on June 5, our new Minister for External Affairs, the Honourable Flora MacDonald, stressed that the new government would give priority to relations with the Western world and especially to Latin American countries. Thus the momentum given by the former administration to our relations with Latin America will not only continue but can be expected to gather strength.

Indeed, Latin America and the Caribbean together constitute a key area of interest for Canada. One of the mainsprings of Canadian foreign policy over the past decade has been to intensify our relations with the countries of the hemisphere, to strengthen relations with the sub-regional groupings of these countries and to foster closer ties between Canadians and Latin Americans on a person-to-person basis.

Today I should like to make a few comments on my country's contribution to the economic integration of our continent and I should like to dwell first on the main features of our approach to Latin America, then on the multilateral and regional aspects of our relationship and our bilateral ties, with particular emphasis on trade and industrial development, investment and export financing as a means of international co-operation. Finally I want to emphasize the Canadian government's role in stimulating and supporting corporate ventures.

In the context of the theme of this conference, one of the main thrusts of Canada's relations with Latin America and the Caribbean region today is in the field of transfer of technology. This takes many forms and involves many sectors. Canada and Canadians are now engaged in many Latin American countries in activities of growing

importance to all of us, and I say all of us advisedly, because the transfer of technology is not just a unidirectional movement. It works both ways, to the advantage of Latin America as well as to the advantage of Canada. Allow me to provide a few examples. Canadians are now working on the ground in Latin America and the Caribbean area, helping out in programs and development where we have particular experience. This runs from dry-farm techniques, improved forestry, fishery, and mineral-prospecting techniques and railway planning and building to such complicated scientific and engineering endeavours as remote sensing, earthquake detection, hydro-electric power grids, heavy oil technology and nuclear energy. In return, our scientists have been impressed by and have benefited from Brazilian, Mexican and Colombian developments — to name a few countries — in such fields as special topographical and thematic mapping techniques, of particular value for mineral prospecting, soils and land use, which have been important to us in our quest for the development of our vast Arctic areas. Our scientists have also been putting to good use the excellent theoretical work coming out of Brazilian universities and research centres in the field of earth physics, notably geodesy, gravity and geodynamics. As I said, the current flows in both directions. In practical terms, Canadian technology is at present transferred to the countries of the Caribbean region and Latin America through two main channels: the Canadian International Development Agency, generally known as CIDA, and through the Inter-American Development Bank. The private sector is also involved in the flow.

Canada's financial participation in the IADB resources as of the end of 1977 involved a contribution of approximately \$700 million. Canada is also contributing \$127 million to the Fund for Special Operations, which enables the Bank to provide financial resources, on a long-term, low-interest-rate basis, for social-development projects. By use of complementary financing, the bank has channeled to date an additional \$145 million to Latin America from private banks, including three Canadian private banks — the Bank of Nova Scotia, the Royal Bank of Canada, and the Banque Canadienne Nationale.

CIDA's development assistance is concentrated mainly in the fields of agriculture, forestry, fisheries and hydro-electricity, where Canada has had long experience. In dollar amounts — \$75 million this year — the sums involved are not as large as those earmarked for the Inter-American Development Bank but are still respectable, considering that most Latin American countries have reached levels of development significantly higher than those found in other parts of the Third World.

In addition, Canada contributes multilaterally to the development of Latin America through United Nations bodies, through the World Bank, and through support for the projects of sub-regional organizations such as the Andean Pact. Canadian consultation with Latin American governments on multilateral questions takes place in world forums such as the United Nations, UNCTAD, IMF, GATT, and the UN Economic Commission for Latin America (CEPAL). In CEPAL, incidentally, Canada has been particularly active in its support of the Latin American demographic centre, which is heavily engaged in studies of population growth, a subject of great importance to the region.

If one of the main thrusts of Canada's relations with the Latin American countries generally is in the field of technological transfer, the main aspect of our bilateral relations is in the field of trade and commerce. Our trade relations with Latin America and the Caribbean region go back a long time. It might interest you to know that Canada was exporting wheat to the northern parts of New Spain during the early eighteenth century. We are still exporting wheat to Mexico today. We were exporting codfish to the Caribbean area at the same time and are still doing so.

Canadian exports to Latin America and the Caribbean have substantially increased in recent years, doubling between 1960 and 1970 and reaching over \$2.2 billion in 1978. These exports represented 4.7% of Canada's total exports worldwide, but I note that they also represented only 4.7% of Latin America's total imports of \$53 billion. In my view, this illustrates that our mutual trade could be vastly expanded.

The most important markets for Canadian exports in the area are Venezuela, Brazil, Mexico and Cuba. Argentina and Chile are gaining importance as trading partners for Canada also. Among the principal Canadian exports to Latin America are traditional resource-based commodities such as wheat, aluminium, asbestos and newsprint, but cement, metal-processing plants and consulting services are rising also.

Canadian imports from Latin America and the Caribbean totalled almost \$2.5 billion in 1978. This sum has risen rapidly in recent years due mainly to the substantial increase in oil prices. As a result of Canadian purchases of petroleum for Canada's east-coast market, Venezuela is now our third largest supplier after the U.S.A. and Japan. However, Brazil, Mexico and Cuba are increasingly important suppliers of coffee, fruit and vegetables, textiles and footwear, along with a growing range of machinery and automotive components. I find most interesting this rise in industrial exports and I have every reason to believe that it will grow in both directions in the future.

In another important area of our economic relations, Latin America is second only to the United States as a recipient of Canadian foreign investment. Canadian investors have long been established in many countries from Mexico to Argentina in a wide range of sectors and activities. Today, interest is growing among many small and medium-size Canadian firms in establishing joint ventures in Latin America as a means of mutual expansion and benefit. At the end of 1976, Canadian direct investment in the area totalled \$2.3 billion, of which \$1.2 billion was in Brazil alone.

Canadian private banks have had branches throughout the region since the turn of the century. Recently, they have been particularly active in making Euro-dollar loans to the Brazilian public sector as well as to private financial institutions. Their exposure in Brazil today is well over \$2 billion. They have traditionally participated in foreign bank consortia but increasingly they have been successful in becoming lead managers and agents for some large syndicated loans. As a small aside here, I am told that the largest Canadian branch bank anywhere in the world, including Canada, is to be found in Buenos Aires!

Private banks alone cannot always sustain the challenge of long-term loans, however, and this is where the Canadian government lends its assistance to Canadian exporters of goods and services as well as to Canadian investors. The Export Development Corporation is the commercially self-sustaining enterprise owned by the Government of Canada that provides financing and insurance to assist Canadian export trade. The Corporation offers a wide range of services in the field of long-term loans to foreign buyers of Canadian equipment and technical services as well as export credit insurance to Canadian firms.

It has been very active in the region since its inception in 1969. Most of the countries of Latin America and the Caribbean have reached the stage of development where export credit is essential. Through the EDC, Canadians have participated in the development of the oil-based economies of Mexico and Trinidad and Tobago, for instance. To ease the payment burden of increased energy bills, South American countries are now focusing their attention on resource-development projects. This suggests encouraging prospects for expanding ties with Canadian manufacturers, investors and consultants. Brazil, which is a large territory like Canada, is continuing to develop its vast hydro-electric potential and there would seem to me to be many opportunities for Canadian involvement in advanced engineering services as well as the manufacture of high-technology equipment in this field. Likewise in Chile, which is well endowed with hydro resources. The Corporation has also been active in Argentina with the financing of two major pulp and paper projects.

There have also been significant developments in the field of industrial co-operation recently. CIDA, for instance, has established an industrial co-operation program in order to stimulate increased participation by the Canadian private sector in industrial development through joint ventures both at home and overseas, as well as through other forms of business. Its basic approach is to identify and support ways in which the technology and resources of the Canadian private sector can be linked directly to industrial development needs. This program will encourage and foster entrepreneurial initiatives by businessmen both in Canada and elsewhere on a basis of mutual benefit. In addition, the Canadian government recently initialled an agreement for industrial co-operation with Mexico. With Brazil, one of the features of the Joint Brazil-Canada Economic Committee is a working group on industrial co-operation. I would hope to see more of this sort of activity in future.

Finally, and before closing this brief outline of Canadian economic and trade relations with Latin America, I think I should add a few words about the multilateral trade negotiations, which seem to me to be particularly relevant to the future of our relationship. Indeed, the future trading environment — both regional and global — will be significantly influenced by the results of these negotiations. They hold out the promise of expansion and greater liberalization of world trade and important improvements in the international trading framework, including better rules and procedures for dealing with non-tariff barriers. In addition to improvements in market access for most countries' exports, specific provisions have been designed to meet more fully the special needs and circumstances of the developing countries. An example of this is the advance implementation of Canadian tariff concessions on

tropical products. In Canada's view, the most important general benefit which should derive from the broad and substantial MTN settlement is the renewed confidence and stability which it should bring to the world trading system. To ensure that the benefits are realized, an important consideration will of course be the widest possible adherence to and implementation of the MTN results. Incidentally, all Latin American countries qualify under the Canadian generalized system of preferences for more favourable access to our market.

I think that I should point out here that although Canada is considered to be a developed country, it is sometimes forgotten that we are still developing our resources, importing capital and technology on a large scale. We thus share a number of problems in common with the developing countries of the continent and can see both sides of the equation. For instance, as an important exporter of machinery, equipment and other manufactured products, as well as of technology and private investment, Canada competes with other industrial countries for sales. Simultaneously, as a large producer and exporter of agricultural products, minerals and semi-processed goods, and as an importer of capital and technology, Canada shares with many developing countries great interest in stable marketing arrangements and equitable export prices. It is this dual set of characteristics that has made Canada particularly sensitive to the needs of the developing countries and to the ways in which industrialized nations can co-operate with them more closely. This circumstance, together with our own development experience, have given us a special feeling, a particular sensitivity to the needs and aspirations of the third world.

Canada has had the honour to co-chair with Venezuela the Paris Conference on Economic Co-operation, also called the North-South Dialogue. Although the end result has not been totally satisfactory for the developing world, nevertheless some positive results have emerged, especially the cancellation of the foreign debts of some of the poorest countries. The dialogue has now come back to the UN institutions, where it really belongs, in particular to UNCTAD whose deliberations ended in Manila at the beginning of this month. Although there were no spectacular achievements like the integrated program for commodities at UNCTAD IV, a consensus was reached on a resolution to examine protectionist measures and structural adjustment.

My remarks have come full circle. It is increasingly clear that the world is more than ever inter-dependent. All countries are inter-reacting more and more with each other, and this applies foremost to the countries of our hemisphere among themselves. We, in Canada, are particularly conscious of this since we must look outward beyond our borders if we are to maintain our economic vitality. Indeed nearly 25 percent of our GNP comes from trade and yet we have a relatively small internal market. We produce more than we consume. We have no choice but to be outward-oriented. We look forward in particular to closer and mutually beneficial ties with Brazil, one of the giants of the world, and with Latin America, an increasingly important region in world affairs.



Statements and Speeches

79/14 (Bil.)

CANADA PLEDGES SUPPORT FOR THE WORLD FOOD COUNCIL'S ACTIVITIES

A Speech by the Prime Minister of Canada, Mr. Joe Clark, to the Fifth Ministerial Session of the World Food Council, Ottawa, September 4, 1979.

On behalf of the people of Canada I welcome to the fifth Ministerial Session of the World Food Council you, Mr. President, the Prime minister of Thailand, Ministers of Agriculture, Heads of Delegation of the 36 member countries of the World Food Council, delegates from member and observer countries, representatives from inter-governmental and non-governmental organizations and UN specialized agencies, members of the Diplomatic Corps, the press, and the public.

Ce débat annuel sur les problèmes d'alimentation devrait toujours marquer une nouvelle étape dans notre lutte pour établir des normes mondiales de dignité humaine. Le Canada continue d'appuyer énergiquement le rôle et les activités du Conseil mondial de l'alimentation car il se révèle l'un des moyens les plus directs de traduire de façon concrète et réaliste les idées et principes exprimés dans cette enceinte.

Notre rôle actif dans la lutte contre la faim dans le monde fait partie de notre responsabilité mondiale pour reconnaître l'existence d'une "Société humaine", d'un monde solidaire, où nul groupe de nations ni d'hommes, quelles que soient ses connaissances techniques, ne possède le monopole du progrès, de la sagesse et, pour tout dire, de la civilisation.

Cette cinquième session du Conseil mondial de l'alimentation a lieu à une époque où souffrances et privations sont trop nombreuses de par le monde. Le Sud-Est asiatique nous en a récemment fourni un exemple. Des centaines de milliers de gens ont été littéralement jetés à la mer sans aucune provision, sans moyen de survie.

La présente Conférence a également lieu à un moment où l'économie mondiale est mise à rude épreuve. Certains pays industrialisés comme le Canada font face à l'inflation, au chômage, au ralentissement de l'économie, qui, quoique graves, ne sont pas des problèmes insurmontables. D'un autre côté, les pays en développement veulent pour leur part participer pleinement et équitablement à un nouvel ordre économique. L'économie d'un pays est aujourd'hui si étroitement liée à celle des autres, que la vigueur économique de tout groupe devient un facteur déterminant de celle de tous.

Canada has long played an active role in tackling the problems of world hunger. In 1945, we hosted in Quebec City the Founding Conference of the Food and Agriculture Organization where Lester Pearson, later Prime Minister of Canada, acted as conference chairman. In 1961, Canada's Minister of Agriculture, Alvin Hamilton, proposed the establishment of a World Food Program — today one of the most effective of UN agencies. Canada looks on these initiatives with pride. We will continue to be a substantial supporter of the World Food Program.

It is generally agreed that our world's fields and oceans produce enough food to feed mankind. However, because food is not always produced where population is concentrated, there is a need for all nations to pool our efforts to ensure a more efficient distribution of food. At the very least, we need a system of food delivery that responds quickly and with minimal waste to countries facing special emergencies. The co-operative development of an international early warning system would help mankind reduce the devastation of prolonged food shortages. In short, we require a food distribution system based on global and national considerations which would guide the movement of food during times of plenty and times of scarcity. In this regard, our Minister of Agriculture will be announcing later this morning Canada's position on a new food aid convention.

When famine or food shortages strike, some groups are more vulnerable than others. In this International Year of the Child the spectacle of 200 million undernourished children — and their families, suffering on a similar scale — is a stark reminder of the distance we must move. I hope a major objective of this session will be the determination of more effective ways for food aid to be directed to particularly vulnerable groups; to make them priority recipients under international food assistance programs. Canada will play its full part in this endeavour.

In the five years since the 1974 World Food Conference, the World Food Council has done much to mobilize support for coherent policy among governments and concerned agencies. In addition, the recent World Conference on Agrarian Reform and Rural Development helped focus world attention on the need to give higher priority to rural development.

During that Conference, many speakers emphasized that the essential decisions for alleviating hunger and malnutrition are of a political nature and only secondarily related to natural resources and technical factors. There appear to be few physical or technological limits to the expansion of world food supply to meet projected population growths over coming decades. However, only with continued and concentrated efforts will production increases fulfil potential and adequately serve world demand.

Tous les pays dont l'économie ne repose pas sur une agriculture solide devraient par conséquent accorder une plus grande priorité à l'alimentation et à l'agriculture dans leur plan de développement.

Le relèvement de la production agricole est en effet la condition sine qua non pour améliorer la nutrition et accroître le revenu et le nombre d'emplois, deux facteurs essentiels à l'accélération du taux de croissance économique. Ce dernier facteur devrait être considéré comme le catalyseur de la croissance de leur économie. Parallèlement, les gouvernements devront veiller à la répartition adéquate et équitable de ces efforts, de manière à assurer aux masses rurales une juste part des avantages de la croissance.

La récente extension de la zone économique des États côtiers nous offre à tous une occasion unique de veiller à ce que les avantages découlant du nouveau droit de la mer soient répartis également entre les citoyens. Le Canada estime que tous les pays en voie de développement qui exploitent des pêcheries ou qui sont dotés d'un potentiel

halieutique devraient accorder une priorité accrue à ce secteur. Quí plus est, monsieur le président, nous sommes d'avis que la sixième session du Conseil devrait s'intéresser de plus près au secteur halieutique et à ses possibilités de développement, de même qu'à l'étude de moyens permettant de tirer des ressources marines une part toujours plus importante des besoins mondiaux en protéines.

A cet égard, le Canada attache une grande importance à la coopération. Nous sommes prêts à partager avec les pays en voie de développement, désireux d'accroître leur auto-suffisance alimentaire, notre expertise et nos connaissances dans les domaines de l'agriculture, des pêches et de l'agro-alimentaire. Nous sommes conscients de l'importance d'augmenter la production alimentaire dans les pays moins développés et nous avons en conséquence accordé la priorité au développement agricole et rural dans notre programme d'aide au développement, tant sur le plan bilatéral que multilatéral. Pour ce faire, nous continuerons de verser près de 400 millions de dollars chaque année.

A key element of food security is a system of nationally held reserve stocks and improved international trade. Canada continues to seek realistic reserve supply commitments as part of an overall agreement to govern world trade of food grains. We believe that food security can only be based on security of supply which, in turn, can only be based on the provision of adequate returns to producers. We believe producers the world over can be counted upon to produce a constant supply of food to consumers at reasonable prices, provided they can be assured a fair return for their investment and efforts. If all governments were to take measures towards implementing this concept, it would constitute a major step towards the removal of hunger and scarcity.

Mr. President, the objective of the Food and Agriculture Organization when it was founded in Quebec City 34 years ago was contained in its motto "let there be bread". Today, the session I am about to open will examine anew the ways and means by which this objective can be realized.

We believe that agricultural technologies have been developed to the stage where nature is no longer the problem: the problem is man. Human management is a critical factor in the agricultural production of developing countries. Consequently we will announce later in the session a specific program aimed at assisting the food priority countries in developing long-term food strategy plans for the 1980s.

We believe that the primary aim of this session is to produce in every country and continent represented here an awareness that hunger is an affront to human dignity.

We need, as we have always needed, a continuing effort to eradicate hunger, with its attendant degradation and despair. If we wish to build a better world we must seek for each of its citizens the essential right to food for themselves and their families. Without food the enjoyment of other rights is denied.

We have made great progress in food production. Farmers in our own country are now harvesting food from land that once was arid, or bush, or marsh, and we have developed new species and new methods to make agriculture one of the most efficient industries of our nation. Our fishermen have similarly used their skills to harvest cur

abundant fish stocks. Under proper management we believe our marine resources will forever play a vital role in feeding Canada and the world.

There have been dramatic advances in other nations. In the past several months, I have been privileged to see the success of agricultural reforms in India and the transformation of dryland into wheatland in Tanzania. Food production is our oldest industry, and our newest. It will always be among the most important work man does.

En conclusion, Monsieur le Président, je désire réaffirmer notre engagement à l'égard du travail accompli par le Conseil mondial de l'alimentation et vous assurer de notre volonté de contribuer au succès de ses entreprises.

Commending this goal to each of the delegates present today and bidding them welcome to the capital of Canada, Mr. President, assembled delegates and guests, I hereby declare the fifth Ministerial Session of the World Food Council officially open.

S/C



Statements and Speeches

No. 79/15

CANADA'S FOREIGN POLICY AND RELATIONS

A Speech by the Secretary of State for External Affairs, the Honourable Flora MacDonald, to the Canadian Club of Canada, Montreal, September 17, 1979

I think it is appropriate that I speak to you today about certain aspects of Canada's foreign policy and relations. I know these matters are of immediate importance and concern to everyone in this room.

The conduct of Canada's external affairs has not been subject to an over-all review for ten years. And in those ten years the world has been changing fast. Power relationships have changed remarkably: the super-powers are subject today to quite different constraints. The emergence of China onto the world stage after a period of relative isolation has changed the political map strikingly. The process of decolonization has almost been completed, with the resulting appearance of many new states — a number of which are recognizing that their small size jeopardizes their aspirations to economic prosperity and even their national security. The enormous price increases by the international oil cartel known as OPEC alone have so changed the economic balance of the world that our perceptions of ten years ago are bound to be obsolete.

As the Government of Canada we have the responsibility, and as a government so recently elected to office we have the opportunity, to take a fundamental look at what the world is like today and where Canada fits in it. I certainly would not pre-judge the results of such a review by saying we shall find that our existing policies will all be found wanting or inappropriate. Indeed, I have been impressed with the flexibility with which we have met many of the challenges of the changing world scene. Nonetheless I take it as part of my responsibilities as Secretary of State for External Affairs that we do a solid re-thinking of where we are going.

Perhaps you might be interested if I spend just a minute talking about the way in which I expect to have this review conducted. I cannot prejudge the results, but I can foresee the route by which we shall get them.

One of the ways we plan to carry out our commitment to more open and responsive government is by revitalizing our parliamentary institutions. Elected MPs are, after all, the direct representatives of the people and are the best channel the government has for keeping in touch with the thoughts and concerns of the electorate.

In the period from 1970 to 1973 the Commons Committee on External Affairs and National Defence held inquiries into fourteen major subjects, including such important matters as the Nigerian-Biafran conflict, the establishment of the International Research Development Centre, the United Nations and peacekeeping, Canada-U.S. relations, and the major policy-review paper "Foreign Policy for Canadians". These inquiries were valuable, and they gave an opportunity to many

individual Canadians to put forward their views and concerns as witnesses before the committee. They created public interest in many of the major issues of the day, and they appeared to have an impact on government policy.

The committee, however, held only two inquiries in 1974, one in each of 1975, 1976 and 1977, and none in 1978. This inactivity is to be regretted and is something that will be changed. One of the first jobs that will be given to the committee is the over-all review of our foreign policy in the light of the current world situation. We shall be encouraging the committee to involve as many Canadians as possible in that work.

I have said that I cannot prejudge the outcome of the committee's deliberations. Another thing I cannot do is avoid taking decisions until it has reported and the government has had an opportunity to study its findings. The world will not stop, even for the Parliament of Canada. In the interval, of course, I shall be having discussions with a wide variety of people from all walks of life. My officials will be providing me with assessments of Canada's interests in the almost endless variety of issues that arise in the daily work of my portfolio. Life must go on, and in the process I shall also be preparing myself and my colleagues for the over-all review and the decisions that it will necessitate.

But as I have said, decisions must be taken, work must go on. I think it's only proper, therefore, if I spend a very few moments outlining some of the approaches I shall be taking to this work, and some of the new emphasis I intend to give to the exercise of my responsibilities in this portfolio.

There are three general areas I want to mention here. First, I intend to ensure that Canada's foreign policy lays even greater emphasis than it has in the past on human rights issues. I firmly believe that the way we treat our brothers and sisters is the measuring stick of civilization. There is no shortage either in Canada or in the international community of pious statements of human and individual rights. There is also no shortage of examples of their flagrant violation.

It will be no innovation for Canada to take a strong stand against such flagrant violations of human rights as those inherent in the policy of apartheid practised in South Africa, though we shall be no less forthcoming in our condemnation of them. In addition, however, I intend to use my office to make direct representations to governments in individual cases of denial of rights. I have already done so in more than one instance. The most recent was the case of Ida Nudel whose attempts to emigrate from the Soviet Union have led to her being exiled to Siberia.

While, much as I would like to, I cannot intervene in every case of this kind that comes to my attention, I chose to make representations on behalf of Ida Nudel on humanitarian grounds: her health is deteriorating rapidly and the conditions of her detention in Siberia are particularly cruel; she is the suffering victim of a punishment that far outstrips her "crime".

The second area is that of public participation in foreign policy. I am deeply con-

vinced that the more we can involve individual citizens in all aspects of government policy, the better will be the quality of government we shall have. A few minutes ago I spoke of the increased role we see for one Parliamentary committee. Well that is only one committee and only one aspect of the government's commitment to this policy.

There may be some of you here who are saying to yourselves: "oh sure, I've heard all this before." Well let me give you a concrete example of how we have already put these policy directions into effect.

Very early in my term of office I realized that the refugee situation in Southeast Asia demanded two different kinds of action. The first was on the political front. It was simply intolerable to the new government — as I am sure it was to the people of Canada — that the government of Vietnam was pursuing a deliberate policy to expel hundreds of thousands of its own citizens. You will remember that for years — all through their war with the United States — Canada kept up good relations with the Government in Hanoi. We did not take sides in that conflict. Our moderate position was well recognized and appreciated by Hanoi.

But in light of the policy of violation of human rights that has been recently followed by Vietnam we have cut off our aid programs to that country. I personally have spoken to representatives of that government in Ottawa and abroad emphasizing that the goodwill between our peoples is seriously jeopardized by their actions. At the Geneva conference on the refugee situation I called on all other governments to exert whatever pressure they could to deter the Vietnamese from their inhumane course. Canada's representations, along with those of several other countries, resulted in at least a temporary change in Vietnam's policies. The flow of boat people was stopped. Illegal departures have been checked. Making that kind of appeal in that kind of forum is something that only the government could do — though we could not have taken so strong a stand if we weren't certain of the support for it among the Canadian people.

The second kind of action that was called for was to provide a humanitarian response to the plight of these tragically uprooted people. They desperately need new homes. The countries to which they flee are overwhelmed by the problems that have been created, and cannot be expected to continue to give shelter to the refugees if they are not certain that other countries will open their doors for longterm resettlement. Countries like Canada have to provide a relief valve if we want to prevent hundreds of thousands more people from dying. There was absolutely no choice about Canada having to accept refugees for resettlement. At least there was no choice if we are going to be able to live with our consciences — and to me that means no choice.

But there was a choice as to how we were to do this. One way would have been for the government to just arbitrarily pick a figure and say we will bring in this number and look after them. But we knew that the distress of these refugees had touched the hearts of Canadians. We knew that thousands of people from coast to coast had already been looking for a way in which they, as private citizens, could help. So this is

the program that was designed: the government is sponsoring one refugee for each refugee sponsored privately. Not only does this give an opportunity for Canadians to satisfy their need to help directly in a tragic situation, but it also allows the Canadian people to determine the total number of refugees who will come here. It is a program of partnership between the people and the government.

I think this example clearly demonstrates our commitment to both questions of human rights and public involvement in external affairs. It is also an excellent example of the kind of co-operation we expect to have with provincial governments. Throughout the entire process we were in close touch with the governments of the provinces, consulting them about the numbers of refugees they would be willing and able to help accommodate, and about the services that would have to be provided for the new arrivals. In this regard I want to say how grateful we have been for the concerned and supportive approach taken by the government of Quebec. Their generous and constructive assistance has helped ensure that the program will be a success. A better example of effective co-operation between two levels of government would be hard to find.

The third area of foreign policy I want to mention is that of aid to developing countries. As Secretary of State for External Affairs I am responsible for the shape and direction of our aid programs. This is a particularly important aspect of the portfolio, since aid is very often by far the most significant aspect of our relations with many of the developing countries. The long-term objectives of our aid programs will, of course, be one aspect of the foreign policy review I mentioned a few moments ago. Here again, though, decisions cannot wait. Projects are being proposed and considered constantly and we must make decisions now that will have significant implications for several years to come.

There are several aspects that must be considered in aid questions. In the past, much of our aid has been in the social field. We have helped with schools, teachers, doctors, hospitals and social services. Gradually, however, the developing countries have come to recognize that their own governments must play a larger and more active role in providing the economic infrastructure. There is now, as I found in my recent trip to Africa, a recognition of a need for public investment in such economic facilities. I foresee that more and more we shall be called upon to help developing countries with this kind of aid. This is a tendency of which I fully approve. There is an old saying in the aid business, "Give a man a fish and he can feed his family for a day. Teach him to fish, and he can feed them for life." The enormous and growing disparities between the rich and poor countries will never be reduced if we do not help them to develop their fundamental economies. It is my intention to see that our aid programs really do help the long-term development of the recipient countries — both humanitarian concern and political self-interest demand it.

I do not mean to leave the impression that we should no longer be concerned or involved in aid in social programs. That need still remains in many of the developing countries. But this is an area where, in my view, government may turn increasingly, but of course not exclusively, to the private sector. Canada in particular has a

variety of private organizations, what we call Non-Governmental Organizations, or NGOs for short, who have a great deal of expertise in running successful programs in the Third World. From what I've seen they can do this kind of work with just as much effect and at considerably less cost than we can through government programs. Increased government support for the efforts of the NGOs should make our over-all impact greater for any given level of expenditure, as well as promoting the goal I've already spoken about: increasing the role of individual Canadians in foreign affairs.

These, then, are three examples of the sorts of changes in emphasis you can expect to see in the conduct of foreign affairs under the present administration.

Here as elsewhere in Canada I don't have to emphasize how important our relations with foreign countries are. You know it, you recognize it in your daily lives. The issues we face are of ever-growing complexity, and indeed of ever-growing importance. Government alone cannot provide all the answers. We need your energies, your intelligence, your experience. Together we can help — even bit by bit — to make this a better world — both for Canadians and for people all over the globe.



Statements and Speeches

No. 79/16

AN EXAMINATION OF CONSCIENCE AT THE UNITED NATIONS

An Address by the Secretary of State for External Affairs, Flora MacDonald, to the Thirty-fourth Regular Session of the United Nations General Assembly, New York, September 25, 1979

Although I am a newcomer to this Assembly, I have been one of its close observers for many years. I have always been an unswerving supporter of the United Nations, of the ideals expressed in its Charter, and of the constructive role it has played in the development of the international community. There are many successes of which all of us, as members of the United Nations, may be justly proud. The timely intervention of United Nations peacekeeping forces has so often brought quiet to a troubled area. Through resolutions and the great conferences of the 1970s we have identified crucial problems and devised plans of concerted action for solving them. As a specific example, the complex, painstaking negotiations on the law of the sea now have reached a point where, with one last effort of mutual will, we shall have an agreement of extraordinary significance to us all. Yes, the history of the United Nations has proved how useful, indeed how essential, it can be in the world's affairs.

In the recent past, however, I have become increasingly concerned by the path this body has taken. I see it as my responsibility — speaking for Canada as I now do for the first time in this chamber — to tell you frankly what it is that troubles Canadians about recent developments in the conduct of international relations.

The United Nations today is in serious jeopardy of becoming irrelevant to the peoples of the world. Somehow, in dealing with the many difficult issues that have come before this forum over the years, we have lost sight of the very purpose of this organization. We have lost our grasp of the human needs that the United Nations was established to help fill, and of the human rights that it is meant to protect.

Too often the purpose and content of debate is devoted to the interests and aspirations of governments and politicians, not of the peoples they represent. Too often the energies and skills of delegations are devoted to the goal of political advantage, not of human betterment.

As politicians, we know how important it is to choose carefully the means and even the very words we use to promote the goals that we want to promote. But we also know that in doing so we must never lose sight of the genuine best interests of our people. The minute we lose sight of this we are no longer doing our job.

It is in this light that I look at what has been happening recently in this and certain other international organizations. I look, and I become very worried. The preamble to the Charter of the United Nations begins, as I am sure you remember, "We the people of the United Nations...". This is an organization of people, not of govern-

ments. Yet what are the tendencies here? We establish a system of procedure and protocol that begins to rival that of Byzantium. We develop a specialized terminology in which ordinary words are invested with arcane significance — whole paragraphs of ideological meaning are read into the choice of a single ordinary noun or adjective. We form ourselves into international blocs and support propositions or positions that are in violation of our own declared national policies. How then can we be seen to foster the well-being of our peoples? Too faintly, too faintly.

Over the years I have travelled widely across this globe, and just since June I have had an opportunity to talk to people in ten different countries. The people I have spoken to have strengthened my conviction of the vast reservoir of international goodwill that exists in the hearts of individual citizens around the world. Why then is so much of the energy of this organization devoted to acrimonious wrangling among representatives of governments? What relevance have the debates in this chamber to the ideals, the hopes and the needs of those for whom this organization was created — the people of the United Nations?

Too often, the answer to this question is little. We have allowed ourselves to be captured by the self-imposed dictates of this forum. We have lost sight of why we are here. The people of Canada, and I suspect the people of countries all over the world, are recognizing what is happening here. We do not operate in a closed sphere. Modern communications, and an increasingly informed and interested population ensure that what we do is known and understood across the globe. Our credibility is in jeopardy, and with it the very existence of this organization. For without popular support we shall be unable to continue. Unless we make our work, our talks, our very motives more relevant to the concerns of the people we represent, we shall lose the support we need to continue.

As I see it, the major challenge facing the United Nations in the next decade is to make itself once again a vehicle for filling the needs and rights of the peoples of the world....

Thirty-one years ago, when the UN adopted the Universal Declaration of Human Rights, it took a step of great importance to people everywhere. Similarly the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights adopted by the General Assembly in 1966 reflected the heartfelt aspirations of the population of this planet. These documents summarize what this great organization is all about: the fostering and protection of rights.

There are three broad areas of human rights that I want to speak about today. The first is the sort of thing that immediately springs to mind when the term human rights is used. These are the political rights, such as those to freedom of speech and association, the right to equal treatment before equitable law, the absence of racial, religious or sexual discrimination. The second area is the right to physical safety, the freedom from war. Finally, I want to speak about the rights arising from our natures as human animals, our needs for food, shelter and an appropriate share of the world's riches.

One need not look far to find a dismaying number of examples of violations of political rights — all too often committed by a government on its own people. Indochina alone provides too many examples. The uprooting, dislocation and often elimination of so many victims in Kampuchea, the desperate plight of the Laotian refugees, the deliberate expulsion of the Vietnamese boat people are all too well known. The vicious pillage and massacres of the Amin regime in Uganda, and its tragic aftermath — the thousands of women and children in refugee camps, one of which I visited last month in Southern Africa — are matched elsewhere by the execution without trial of ousted politicians or the sudden disappearance or exile for political reasons of ordinary men, women and children in other countries.

These crimes against humanity are common knowledge — the people of the world know what is happening around them. Too often the international community has been reluctant — or culpably slow — to take steps to condemn and rectify these violations of human rights. Too often the political convenience of governments has caused them to remain silent when ordinary people cried out for action. Public opinion today is calling us into account for this lethargy, this disregard for human suffering, this irresponsibility.

And yet, there is cause for hope. By no means have all violations of human rights passed unnoticed by the international community. The conference in Geneva, convened and skilfully conducted by the Secretary General, resulted not only in a substantial humanitarian response in offers of resettlement places and financial aid, but also elicited a political response by the Government of Vietnam, who have since then been controlling the outflow of refugees. It is still to be determined whether or not the root cause has been settled, and the whole international community will have to watch developments carefully. Pressure on the Government of Vietnam must be sustained, but substantial progress has obviously been made.

Other investigations hold promise of progress. We are pleased to note the investigation now under way by the Inter-American Human Rights Commission into the situation in Argentina. We also welcome the investigation by respected African jurists into the recent tragic events in the Central African Empire. In addition, the Commonwealth Heads of Government at their meeting in Lusaka this summer agreed to consider the setting up of a human rights commission within the Commonwealth. There has been modest progress within the United Nations Human Rights Commission itself. I refer to the appointment of a special rapporteur to investigate the situation in Equatorial Guinea, and the Commission's contacts with certain governments as a result of its in-camera debates. All this is gratifying progress indeed. But much more is yet to be done.

The United Nations must find better, more certain ways to deal with gross violations of human rights, no matter where they happen. We must be able to take effective action immediately, not years after the abuses begin. That is why Canada has long supported the proposal to establish the Office of High Commissioner for Human Rights. This proposal, which would effectively set in place an international human rights ombudsman, has been explored over the years, but as yet not enough member states have found the courage to proceed with such an office.

Let me propose an alternative, then. This session of the General Assembly should agree to establish a position of Under-Secretary General for Human Rights, and we should appoint an individual of undisputed stature in the international community to that office. This person would use the mandate the Secretary General has under the Charter to use his good offices in the human rights field. With this, we would have an instrument through which the United Nations could fulfil this fundamental responsibility given to it by the people of the world.

Another step that could easily be taken is to devise a way of ending the distressingly large numbers of disappearances of individuals in many parts of the world. We urge that the Human Rights Commission be instructed to set up a committee of experts to investigate these unexplained vanishings.

We must not take the progress that has been made as an indication that our job is done. Outrages still continue. Some are longstanding, like *apartheid* and the situations in Namibia and Zimbabwe-Rhodesia. Others, such as political executions, arise from time to time in various parts of the world. We must find new ways of combating these violations, for world opinion demands it. Unless we can respond, our credibility, our relevance, our usefulness and our very existence are in peril.

But our response must be both responsible and timely. The progress being made at this very moment in regard to Namibia, and Zimbabwe-Rhodesia, for example, deserves our encouragement and support. It would be irresponsible to preempt the satisfactory solution of these problems by precipitate and distracting debate in this, or any other forum.

A corner-stone of the United Nations is the second type of human right I want to discuss — the right of the people of the world to physical security. Born from the ashes of the Second World War, this organization is devoted to the peaceful resolution of differences between nations. To many people this is the sole reason for the existence of this organization, to ensure the human right to live in peace.

Here too, our record gives little cause for satisfaction. Instances of aggression of one country against another continue. As always, righteous justification is claimed by each party to the conflict. There may be righteous warriors, but there are no good wars. The people have entrusted to us the task of stopping this systematic destruction of the most fundamental of all human rights — the right to life itself. And yet armed conflict remains a sorry characteristic of international affairs.

Other related threats to our physical safety continue. The arms race, with all its costs and inherent dangers bounds apace. The spread of nuclear technology, with all the benefits it can bring, has not been paralleled by an equal commitment to a renunciation of the development of nuclear explosive capability. We know that certain states are even today working to achieve mastery in this field, not for the increased well-being its energy can bring to people, but for the creation of an explosion — one that will shake the hearts of peace-loving people everywhere. Surely they can expect better of us.

Fortunately here, too, there are reasons for hope. The first Special Session of this Assembly on Disarmament was a success. For those who believe as I do that modern weapons are as much a threat as a protection to the security of nations, this was an encouraging step. Yet the record since that time is disappointing. The new machinery of negotiation in Geneva is blocked by rivalry and suspicion. The testing of nuclear weapons continues, despite the high priority the Special Session gave to the ban. Preparations for chemical warfare continue; no agreement has been reached on measures to limit the use of weapons that cause unnecessary suffering; and spending for military purposes grows even larger.

Nevertheless, a hopeful sign of urgency remains. I cite the communiqué signed in Vienna last June by Presidents Carter and Brezhnev, in which they commit their governments "to take major steps to limit nuclear weapons with the objective of ultimately eliminating them, and to complete successfully other arms limitation and disarmament negotiations".

Canada has a particular interest in the honouring of this commitment — we are the only country that is a neighbour to both the U.S.A. and the U.S.S.R. As such we could not escape the devastation of a strategic nuclear war. Hence our specific concern.

But there is another reason for our deep interest. Canada has been a pioneer in the development of nuclear technology for peaceful purposes. Our CANDU power reactor is an outstanding success both in Canada and abroad. But we are determined that this technology not be misused. We demand that stringent safeguards be applied by countries buying Canadian nuclear power facilities or materials. We are looking forward to the conclusions of International Nuclear Fuel Cycle Evaluation, the international study examining the further means by which nonproliferation standards can be applied to the nuclear fuel cycle. We want to ensure that the continued recourse to nuclear power is undertaken in the most stringent conditions possible, guaranteeing against any non-peaceful use.

We believe that governments who accept these conditions, indeed all governments, have a right to expect that the obligations of nuclear states under the non-proliferation treaty will be carried out — including the pursuit of "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date". Yet agreement has eluded the negotiations on a comprehensive test ban for 15 years. Time is running out — and the patience of the people is running thin.

Genuine international security is not merely a matter of agreements on arms control and disarmament. Before such agreements can be reached, and certainly before they can have effect, there must be a climate of trust, of decency and justice among the nations of the world. Confidence must be built up by small steps between neighbours, between alliances, and between the nuclear powers. The United Nations must be allowed to expand its fact-finding and peace-seeking roles if such confidence is to grow. In areas where tensions are too high, concrete steps must be taken to prevent accidents or miscalculations. More information must be shared before the strength of

forces on all sides may be reduced. The people of the world expect no less of us. And the people are right.

As we examine the lessons of the past, and as we assess the challenges for the future, there is one striking fact that dominates all others — the singular failure of the international community to solve the problem of poverty. We are still haunted by the spectre of hundreds of millions of people living below the poverty line and in danger of starvation. The right to enough material goods to ensure health and dignity is still denied to far too many.

Giving effect to this basic human right is the greatest task facing the United Nations for the remainder of this century. The overriding importance of this work is clear to all. Two years ago this Assembly passed a resolution recognizing that "the full realization of civil and political rights without the enjoyment of economic, social and cultural rights is impossible". It is insufficient for an individual to enjoy full human rights before the law if he or she does not have the basic necessities of life: enough food, health care; education; shelter. Problems of want must be attacked directly and urgently in the 1980s.

I welcome the renewed attention being given by the United Nations and its organs to these problems, for here, too, I see reason for hope. There is growing recognition that development assistance does not imply the foisting of one country's social and economic philosophy on another. The true meaning of co-operation is increasingly understood.

It is no answer to the problem to set up a sort of international social welfare system to give hand-outs to the poorest. Nothing could be more demeaning to human dignity, nor more guaranteed to perpetuate poverty. Our goal must be to enable people to use their own abilities, and to assist states to develop their own potential.

These may sound grand words, optimistic words, easy to say. But...I am optimistic about the capacity of our international community to work together to solve the problems before it. That these problems are huge, numerous and complicated, there is no denial.

What I find worrying is not the fact that we have problems, but the manner in which we approach them. I personally place enormous importance on the North-South dialogue. And yet I fear our present approach is doomed to failure. Many of the problems with which we are grappling in this dialogue are, after all, the result of change — rapid change, dramatic change, and, if we are honest with ourselves, change that is often for the better. The last three decades — including the turbulent Seventies — have been ones of unprecedented economic growth for the developing world, at rates faster than those of the industrialized countries. The problem is that this growth has been uneven, and, in the minds of those whose expectations have been raised so high, not fast enough. As we look into the decade before us, it is the countries at the bottom end of the economic scale who face the bleakest future and the lowest growth. At the opposite end of the scale, in the wealthy industrial countries, the prospects for

the 1980s are, for a variety of reasons, also for a relatively slow pace of economic growth. Between these extremes, however, lie countries whose growth has been much more rapid, and who, in spite of immense problems, are likely to maintain a faster pace in the future.

This is a brief outline of what has been happening in the past and what is likely to occur in the years ahead. And yet the international discussions of such matters do not take account of these realities. Of particular concern to me is the increasing note of pessimism that seems to be creeping into the North-South dialogue: the contention that nothing has changed for the better anywhere and is unlikely to in the future; the spirit of confrontation between North and South with verbal barrages across an artificial frontier; the allocation of blame for misfortune, not the search for self-improvement.

If there is one message I would like to leave clearly with my colleagues from North or South, it is that such approaches to our problems, and such tactics, are likely to be counterproductive — I can tell you, they do much more harm than good in Canada. In Canada we have spent a lot of time and effort and money in developing programs of economic co-operation, and always with the support of the Canadian people. No democratic government can act without such popular support. I am confident that this support remains and that we can continue to improve our programs and adapt our policies to the changing international environment. At present, however, we face important domestic problems within Canada. One of them, the energy issue, we share with many nations. I assure you, we are determined to become part of the solution, not part of the problem. But the efforts our people will be called on to make to help solve this world-wide problem will be great. As a result, now more than ever, we need to be able to demonstrate that our overseas programs are useful and efficient and actually do contribute to the welfare of peoples who need assistance. If we hear through the North-South dialogue that after 30 years of effort nothing has changed for the better, that doom and gloom lie in the future, and that our lack of political will is entirely to blame, I am afraid that the reaction of the Canadian people will be to demand that we spend our effort and money at home. By all means let us pinpoint the failures, but let us build on success. By all means let us define our problems closely, but let us develop realistic responses. By all means let us be frank with each other, but let us maintain a constructive courtesy. Talk, certainly; but act, too. Let us indulge in technical analysis, but let us never forget that it is the individual we are trying to help.

Immense tasks lie before us as we grapple with all the issues now on the negotiating table within the UN system. The desperate plight of the people of Kampuchea, for example, cries for immediate international attention. Our ability to act effectively in this regard will be a measure of the sincerity of our commitment to the ideals we have all endorsed. My confidence in our ability to find solutions is based in part on the growing recognition of all countries that interdependence is a fact and not a slogan, and in part on the knowledge that we must all work together if we are not to fail separately.

This, then is a partial agenda for the Eighties. The work must begin now.... Although public confidence in this great international institution is low enough to jeopardize its future, the opportunities to regain that confidence have never been greater.

Together, we can galvanize this assembly into a genuine forum for the betterment of the peoples of the world. We can turn away from confrontation between governments to co-operation among people. When this session is seen to address the rights of people rather than the ambitions of politicians, then we shall have the support of people everywhere, and we can use the world's vast resources of riches, energies and intelligence to meet the challenges ahead....



Statements and Speeches

No. 79/17

THE WORLD REFUGEE PROBLEM

Statement made October 9, 1979 by J.C. Best, Alternate Representative for Canada to the thirtieth session of the UNHCR Executive Committee, Geneva

At no time in the nearly 30-year history of the office of the High Commissioner can the necessity of his humanitarian mandate have been more evident. It is no exaggeration to say that, worldwide, the international community is confronted with refugee problems of immense proportions. It has been estimated that during the twelve months since our last Executive Committee sessions, as a global average, 2,000 new refugees arrived each day in a country of first asylum. The magnitude of this global refugee problem, both in terms of sheer numbers and of human distress, is staggering. It is important to stress that this is indeed a global problem. However serious and however intensive the concentration of the public media on any specific refugee situation, we must never forget that refugees and displaced persons are present in every region of the world and are therefore in need of the High Commissioner's attention.

The refugee question must be considered as one confronting the whole international community, not simply a handful of countries which have traditionally been concerned with refugee affairs. However distant we may be geographically from the regions of refugee outflows, we all share an interest, as responsible members of the international community, in promoting both humanitarian relief for the refugees and durable solutions which will ensure that regional political stability will not continue to be disturbed by refugee movements.

In light of these growing refugee problems, Canada has actively encouraged this past year a much broader base of international support for the High Commissioner's program. We have done so both in international forums and through bilateral discussions. These efforts and similar ones undertaken by the High Commissioner and other countries have had a measure of success. I think particularly of the new financial pledges and resettlement commitments made during the special international conference on the Indochina refugee crisis held in Geneva last July. Further evidence of a broadening international support for the High Commissioner's activities is seen here today in our newly expanded Executive Committee. I am pleased indeed to welcome for the first time to an Executive Committee session the new members who were elected last August during the summer ECOSOC sessions: Argentina, Finland, Japan, Lesotho, Morocco, Nicaragua, Sudan, Thailand and Zaire. It is Canada's expectation that our new colleagues, many of whom represent countries with serious refugee problems, will bring useful experience and an additional perspective to our discussions.

Over the past year, the High Commissioner has undertaken a number of useful and productive initiatives in his efforts to deal with various refugee situations. I believe we can be particularly proud of the UNHCR operation in Bangladesh and the suc-

cessful repatriation to Burma of nearly 200,000 refugees. I think as well of the High Commissioner's co-sponsorship of the Arusha Conference to study the massive refugee problem in Africa. The recommendations of that conference, which were endorsed by the OAU Summit in Monrovia, will have a very direct and practical bearing on the legal status of refugees in Africa and set an admirable example for other regions by their reaffirmation of the fundamental principles of asylum and *non-refoulement*. It is Canada's hope that the Arusha principles will be accepted by as many countries as possible. Furthermore, I believe the endorsement of the Arusha recommendations by the member states of the OAU points up the practical value and usefulness of a more general accession to the major international refugee instruments. In order to facilitate and make more effective the High Commissioner's vital protection role, Canada would encourage all members of this Executive Committee to set an example for the international community by acceding to the convention and protocol and to encourage other countries to do so.

It is regrettable indeed that we must note today the ever-increasing number of serious and complex refugee situations throughout the world. In confronting these great problems, we must all demonstrate in active and practical ways our full support for the High Commissioner and do all we can to enhance the ability of his staff to respond to these increasing pressures. These new refugee problems and the great expansion in the High Commissioner's budget which they have caused, make it even more essential that the High Commissioner engage in a continuing and active consultation with his Executive Committee and with the other major international organizations with which he co-operates. Canada has been appreciative of the institution by the High Commissioner of more frequent consultation with the Executive Committee in the period between its October sessions. Useful meetings at the permanent representative level were held in January and June this year. We would encourage even more frequent and formal consultations most particularly on administrative and financial questions. This necessary consultation might best be achieved by the establishment of a sub-committee on management and finance.

In the past twelve months we have all been shocked by the distressing exodus from the countries of Indochina. We have been concerned as well by the heavy social, political and economic burden which this has placed on the neighbouring countries of first asylum. Canada's own resettlement program for Indochina refugees therefore has been increased ten-fold since the consultations convened by the High Commissioner last December. It has as its objective the resettling in Canada of up to 50,000 Indochinese during 1979-80. I am pleased to note today that the response of Canadians has been very encouraging and indeed exceptional in its openness and generosity — as of the end of September more than 44,000 resettlement commitments. To date, close to 15,000 refugees from the countries of Indochina have already arrived in Canada since the beginning of 1979. This progress has only been possible through the co-operation of many Canadian voluntary organizations, private groups of citizens, municipalities, and of all the provinces, several of which have also made contributions to the High Commissioner's programs. We are confident that we will attain our objective of 50,000 Indochinese refugees which represents the most extensive resettlement program in Canadian experience. It is essential to emphasize that this resettlement

program for Indochina refugees has not prejudiced our refugee resettlement programs for Eastern Europe and Latin America, all of which are established and protected in our annual refugee plan.

In terms of refugee resettlement, it is essential to emphasize once again that there be full and active co-ordination at the operational level between all the parties concerned — the resettlement countries, the countries of first asylum and the High Commissioner's staff. The success of our efforts to move massive numbers of people as quickly as possible demands the fullest and most effective co-operation of all concerned. As the High Commissioner stressed in his opening remarks yesterday, the increasing demands placed on us all require that we adapt our procedures and methods with a flexibility which will permit the most effective operations. In this context, it is Canada's firm belief that increasing attention must be given, not only to the concept of resettlement but, as important, to providing the resettlement countries with adequate support services to ensure our own quick resettlement response. It is our responsibility to ensure that the High Commissioner is able to place in the field a sufficiently strong complement of officers to provide the necessary support.

We anticipate that Canada's main focus and concentration in terms of response to refugee problems will remain on resettlement in Canada. Canada fully intends, however, to continue its support for refugee activities other than resettlement in Canada. For example, Canada is considering actively and sympathetically support for the High Commissioner's Uganda appeal. Canada recognizes that not all countries consider themselves able to resettle refugees in large numbers but we believe all should continue to expand their resettlement commitment to the degree feasible. However, we would stress again that the refugee problem is a problem for the whole international community and that the High Commissioner's activities must be given the widest possible support in terms of financial contributions, the maintenance of a generous first asylum policy and resettlement places.

The High Commissioner has presented us with a full agenda. It is our responsibility to examine closely and to discuss as fully as possible the extensive range of the High Commissioner's programs. In so doing, the Canadian delegation would hope that one idea should inform all our discussion: namely that the world refugee problem is one which confronts the whole international community and that if we are to tackle it with any hope of success the heavy burden must be shared by us all.



Statements and Speeches

No. 79/18

THE INTERNATIONAL YEAR OF THE CHILD

A Statement by Mr. Douglas Roche, M.P., Parliamentary Secretary to the Secretary of State for External Affairs and Representative of Canada to the Second Committee (Economic and Financial) of the Thirty-fourth Regular Session of the United Nations General Assembly, New York, October 17, 1979.

As we reflect on the International Year of the Child, the mood I express, on behalf of Canada, is one of challenge as well as congratulation.

We are indebted to Canon Joseph Moerman of Belgium for originating the idea, to Mrs. Aldaka-Lim, Special Representative of IYC, and UNICEF, which continues to distinguish itself in the cause of children's rights. We are grateful for the sharp focus that has been put on the lives of children all over the world during their special year. We pay tribute to the countless organizations which sponsored activities and events that can never be adequately recorded. We appreciate the work of so many adults in so many fields who made the year a success. And most of all we thank the children and young people of every land who inspired us with their own involvement in ways that were often ingenious.

It is clear that the world community has renewed the United Nations' concern for the present condition and the future of our children. Let us celebrate that achievement. But our celebration ought to be brief. For what the International Year of the Child has underscored is the shocking amount of exploitation and discrimination against children that exists in different ways throughout the world. And if we are now impelled to work harder to advance the UN Declaration of the Rights of the Child, we must more urgently get at the roots of the problems that afflict children. The Special Year ought to have given us more profound insights into the essential fact that children do not live in isolation. Children live in families, families live in communities, and these communities make up our world. To express our love and affection for children is hollow unless we are now resolved to implement programs of action that will make the world a safer, more just place to be born into.

It is my pleasure to recount for a moment the observance of IYC in Canada. Here was an example of widespread public participation complementing government initiative. The Canadian government, through the Department of National Health and Welfare, provided \$1 million to the Canadian Commission for International Year of the Child, a body comprising representatives of the federal, provincial and territorial governments and, most importantly, 15 non-governmental organizations representing the 103 non-governmental organizations across Canada participating in IYC. The Commission, comprising 45 volunteer members headed by Judge Doris Ogilvie, was directed to distribute this money in small grants to communities across the country to stimulate local involvement in programs for children. I might note parenthetically that this was one instance of a commission forsaking a national conference in order

to get out to the grass roots. So popular was this approach that the Commission was inundated with 4,000 applications; unfortunately only 500 projects could be funded. These embraced ethnic and cultural events, sports and physical fitness, family enrichment and medical-nutritional programs.

Frequently recurring themes were poverty, isolation and rural deprivation, handicapped children, family life education, day care and day nurseries, getting children off the streets, bridging gaps between young and old.

These are just a few examples of this kaleidoscope of activities:

In Montreal, a group concerned with the lack of recreation for retarded children matched 25 normal children with 25 retarded children in a recreational setting that demonstrated the often untapped potential of the mentally handicapped.

The Indian Regional Council in Lesser Slave Lake, Alberta, is in the process of establishing a community organization to deal with first-time native juvenile offenders rather than sending them to court.

In New Waterford, Nova Scotia, a group, appropriately named "Jay", was set up in which older people taught nutrition to slow-learning children.

Responding to the enthusiasm generated by these special projects, the government has compiled a list of more than 200 on-going programs of benefit to children. These programs cover a wide range of health, nutrition, and day care activities as well as educational films. IYC has heightened our awareness of the need for a higher priority in helping disadvantaged Canadian children. Although Canadians are blessed with a high standard of living, with universal health care and a broad range of welfare and social services, we nonetheless have children who are poor, badly nourished, abused, diseased, under-educated, unsupervised and uncared for. These are the innocent victims of a changing society in which family life is subjected to economic and social stress that is sometimes too much to cope with.

Having identified the principal areas of concern in the well-being of children, the Canadian Commission has drawn up a National Agenda addressing 12 areas: economic issues, the family, health and welfare, life skills and education, play and immigration, children and the law, television and the media, culture and children, international and intercultural understanding, child care and protection, native peoples, nature and the environment. Governments and non-governmental organizations across Canada will be asked to implement recommendations growing out of this National Agenda.

To meet the special needs of children today who are growing up in a world of confused moral values requires more than programs to alleviate specific problems. IYC has taught us that the good of family life ought to have a central place in the formulation of public policy. Families are affected by powerful economic and social forces over which they have little control — unemployment, inflation, increased housing costs. If we truly want to advance the rights of children we must examine more

critically the reasons for the increasing breakdown of family life as it shows up in the high divorce statistics, child abuse, and teen-age suicide and pregnancy rates. All of this needs to be probed, especially in relation to our growing knowledge of the character and personality formation in the critical learning years of childhood, between the ages of three and five.

When we also look at how children are exploited by television violence, pornography merchants and drug peddlars, we should be filled with shame.

By the time the average child graduates from high school, he or she will have witnessed 18,000 fictionalized violent deaths on TV. Violence has now become an accepted form of entertainment, thus giving the child a distorted view of proper moral and ethical behaviour.

How is it that a society priding itself on civilized social values allows itself to be victimized by the pornography merchants who do not even hesitate to use children in their nefarious business? Degradation of the human person is objectionable in whatever form it takes; but degradation of the person of the child is especially intolerable.

The drug culture also exploits young people. The size and youthfulness of the drug-using population is known to be growing, with children increasingly exposed to a greater variety and availability of dangerous drugs.

Readily available alcohol is another well-known trap awaiting children.

It is not easy growing up in the modern world and, as the father of five children, I salute young people for meeting head-on and, in most cases, triumphing over the obstacles we have placed in their path. It is a tribute to the resilience of today's young generation that they cope as well as they do in a culture that is only now beginning to realize that technology alone is not the answer to a more human existence.

We need more programs to relieve the harm done to those children who are dispirited, angry and withdrawn. But we need even more the full attention of society on ways to help children grow into mature, responsible and caring adults. This means nurturing their environment while they are young and surrounding them with a community of values which opens their minds and hearts to the needs of their fellow humans throughout the world.

As a measure of this opening to the needs of others...a CBC/Radio Canada television special will show young people across Canada how man's survival on our shrinking planet requires a new spirit of co-operation and collaboration. Entitled "Why Should I Care" this project, sponsored by the Canadian Red Cross and the UNICEF Committee of Canada, has also prepared audio-visual kits for 285,000 teachers and 6 million students. Two days later, on World United Nations Day, every school in Canada will focus on international understanding and development issues. This project, the largest educational one ever funded by the Canadian International Development Agency,

aims to make Canadian children aware of the cultures and conditions of the other children on "Spaceship Earth".

Surely the International Year of the Child will have no global benefits unless it galvanizes our attention on the 350 million children in developing countries who do not have access to even the minimum of health services, nutrition and education. These children — and their children — cannot achieve the rights we proclaim for them unless the conditions of absolute poverty are wiped out. Compassion for a suffering child is empty unless accompanied by a determination to establish conditions of economic and social justice to grow up in.

To guarantee a child freedom from hunger means guaranteeing at least one of his parents a job and a decent wage. To guarantee a child fresh air and clean water requires a degree of international co-operation not yet attained. A child's right to affection and security is mocked by those who perpetuate violence, those who enslave him in child labour, those who commit vast sums of money to elitist development when the human needs are so great. Recognizing that we cannot banish overnight all the evils that invade childhood, let us at least end the International Year of the Child resolute in our commitment to respond to the physical, spiritual, emotional, and cultural needs of children in every region of the world.

As we make decisions in our own countries and in this international body, let us respond favourably to these questions: "What do children need for their optimal development?" "What do parents require to help them meet these needs?" "What public policies are needed to enhance family life?"

It is in this spirit of continuing and universal concern for the needs of children that Canada commends the draft resolution now before this body. The children of every race, every region, every religion, every culture, deserve the unanimous passage of this resolution because it reaffirms the continuing rights of all our children. To build on the enthusiasm generated by this Special Year is the challenge we face.



Statements and Speeches

No. 79/19

CANADA AND THE EUROPEAN COMMUNITIES

A Speech by Mr. Richard Tait, Head of Mission, Canadian Mission to the European Communities, to the Ontario Chamber of Commerce, Toronto, October 24, 1979

I am conscious that there is a certain risk in inviting one of Canada's representatives abroad to talk about relations between this country and the country or institution to which he is accredited. Since it is my business to seize every occasion to promote Canada's interests in the connection with the European Communities — and to cultivate that relationship with all the diligence and eloquence I can command — there is a built-in danger that my analysis of the importance of buttressing our ties with Europe may lack complete objectivity. I trust, however, that...I can avoid this occupational hazard of overstating my case. And I am extremely grateful...for the opportunity to set out for this distinguished group of decision-makers from the business community why I believe Europe should loom large in our present thinking, and why we need to pay special attention to expanding Canada's economic and trading relations with Europe in the future.

It is common for speakers on this topic to start by extolling the historical links between Canada and Europe. Certainly the significance of these must never be discounted. Our economic, political and defense relations with Europe stretch back to the beginning of our nationhood. Affinities of culture and language, of social values and political traditions — natural sympathies nourished by immigration — all these have indeed laid a solid foundation on which to construct closer ties between Canada and Europe. At the same time, when it comes to economic and commercial activities across the Atlantic — and it is with this area that I am now chiefly concerned — we must frankly acknowledge that over the past two decades not all has gone as well as one might wish. On both sides of the Atlantic one detects a sense that the full potential for mutually beneficial trade and investment activity has not been realized. Stagnation would be far too strong a word. In absolute terms, there has been a healthy growth in our exchanges. Nevertheless in proportional terms, the relative importance of Europe in Canada's total external trade picture, and vice-versa, the story is less satisfactory.

The explanation for this state of affairs is to be found in the interplay of a number of factors. It would be fair to say, I think, that four developments have been particularly influential. First, we have seen a contraction in the place occupied by the United Kingdom as an overseas trading partner, a process that was accelerated by Great Britain's entry into the Common Market in 1973, which resulted in the loss of the preferential access that Canada previously enjoyed in that market and in the creation of reverse preferences on many goods of export interest to us. Second, with the expansion of world trade generally, we have seen a diversification of our export markets and the emergence of significant non-European trading partners such as Japan during this period. Thirdly, there has been the important stimulus that the

establishment of the European Common Market gave to the growth of intra-Community trade, and the degree to which European enterprise accorded priority in their marketing and investment decisions to exploiting opportunities afforded by the forging of a unified market among first six and then nine European countries. (And I will not dwell on the negative impact that the elaboration of the Community's Common Agricultural Policy has exerted on the competitive position of Canadian agricultural exports to Europe, and indeed in certain cases in third markets.) And finally, closer to home, we must bear in mind that the years since the formation of the European Community have coincided with the progressive integration of the North American economies, and the rapid expansion in our trading, investment and corporate relationships with our powerful neighbour south of the border. During years when the economic environment in North America has offered such attractive prospects to Canadian business, it is perhaps small wonder that so many Canadian firms have been reinforced in their natural predilection to look first to the United States when considering new opportunities, and have tended to devote relatively less attention to penetrating the European market.

I am sure you will agree that if, in the past, for whatever reason, Canadian business has neglected export possibilities in Europe, both Government and the private sector should take vigorous corrective action. For surely the importance of the European Economic Community on the world scene is such that by any yard stick it should rank very high indeed in our calculations about the directions Canada's trade and economic strategies should take in the future. The EEC is now established as the world's largest trading entity, accounting for over 30 per cent of global exports and imports. With 260 million inhabitants, its GNP is second only to that of the U.S.A. Its population has enjoyed rapidly rising living standards to a point where *per capita* incomes on a community-wide basis approach North American levels, while in the case of the more prosperous member states they already surpass Canadian figures.

While the history of Europe's construction has been marked by hesitations, when one looks back over the past two decades one is struck by the inherent dynamism of the process, and by the fact that it is irreversible. Progressively the European Community has assumed a genuine international personality, exploiting its economic and political weight effectively in international trade negotiations. It has instituted a continuous dialogue with the major industrial powers, and plays an influential role in the debate on the crucial problems that exercise the international community today: the world energy crisis, the international financial and monetary order, and relations with the third world. As regards the last of these, it has concluded preferential and co-operation agreements with the countries of the Mediterranean basin, and with the 55 African, Caribbean and Pacific countries party to the Lomé Convention. It is reaching out towards the countries of Latin America, and is cultivating a dialogue with the Arab States. Recognizing that their shared economic responsibility and power on the world stage logically demand greater concert at the political level, the nine member states of the Community have set in motion procedures to harmonize their positions so as to speak, whenever possible, with a single voice on major foreign-policy issues.

And internally, of course, the process of European construction proceeds apace. Over the past year, important strides have been taken in three areas, each in its own way holding considerable interest for Canada. The first of these was the inauguration last March of the European Monetary System. Conceived as a step on the road towards European monetary union, the immediate objective of this new system is to shelter intra-Community trade and investment from the effects of exchange-rate fluctuations, to assist member states in the disciplines necessary to combat inflationary pressures and, broadly, to create a zone of monetary stability that will contribute to economic recovery and growth. Although experience with the operation of the EMS has been limited, the initial results appear, on the whole, positive.

Secondly, the successful conclusion of negotiations for Greek membership in the EEC, and the opening of negotiations with Portugal and Spain, have launched the Community on its second round of enlargement. The admission of these three less-developed economies presents the Community with very real challenges on the economic as well as the budgetary and institutional fronts. It is a measure of the vitality of the European ideal enshrined in the treaties of Rome that the member States are resolved to meet these challenges. The road to an enlarged Community of 12 European nations will, I suspect, provide further stimulus to Europe's cohesiveness and sense of purpose. Challenges do produce their responses. And the challenge of enlargement will likely prove no less an exception to that rule than has the latest oil crisis, which has acted as an effective spur to previously lagging attempts on the part of the nine to formulate a common energy policy.

The third notable Community development in 1979 was the holding of direct elections last June to the European Parliament, the first multi-national elections to a representative institution in world history. In common with many historical events, the significance of this occurrence will require the passage of time before its magnitude can be fully appreciated. In due course, however, I am convinced that it will be seen to mark a milestone in the construction of Europe.

The fact that Europe's Parliament is now composed of the directly elected representatives of the people of the member states will lend to the Community's decisions a legitimacy that heretofore was absent. It means that Jean Monnet's dream has been brought that much closer to reality — the dream of uniting not simply the governments, but the peoples of Europe. And I would argue that all this is not so remote from Canada's interests as one might suppose. For one thing, in a world where democracy is becoming rare, we should draw encouragement from the knowledge that henceforth the impulsion towards European integration and political co-operation will find popular expression in the institutions of the Community itself. For another, we can expect that the European Parliament, like most parliaments, will be impatient with technical answers to essentially political and social questions, especially when these technical and bureaucratic responses are expensive. So, for example, it would not be surprising if those in Europe and elsewhere who feel that a major overhaul of the price structure and operation of the Common Agricultural Policy is overdue should discover articulate allies among the ranks of the new European parliamentarians, allies who will act as an effective lobby in bringing home to the Council

of Ministers the need to lighten the fiscal burden Europe's farm policies now impose.

I should now like to turn from this recital of the Community's achievements to look at the operation of the agreement that Canada and EEC signed just over three years ago. This agreement represented something of an experiment, being the first of its kind for both parties. Its formal provisions, with which many of you are familiar, may be quickly summarized. In the first place, the Framework Agreement for Commercial and Economic Co-operation does not establish a preferential arrangement, but rather commits both parties to sustained, deliberate, and high-level efforts to promote reciprocal trade, investment, and technological co-operation through whatever means may be found most suitable and promising. Secondly, under the aegis of a Joint Co-operation Committee, meeting normally once a year at the ministerial level to review progress and establish work programs, a series of sub-committees and working groups have been formed. These deal at the working and technical level with a number of sectors that have been identified as fertile areas for collaboration. They cover forest products, the nuclear industry, non-ferrous metals, the aerospace industry, telecommunications, data processing and so on. Exchange programs in the environmental field and in science and technology are also included. Commercial missions from the private sector have been organized on a regular basis in both directions. And a start has been made on putting together seminars designed to make the business communities of the two parties more familiar with various facets of the commercial and investment environment relevant to business decision-making in the European and Canadian contexts.

Our joint endeavour throughout has been to maintain a pragmatic and open-ended approach. The objective is to use the agreement as an evolving instrument for more intensive co-operation between Canada and the European Community in whatever field we can identify as offering promise of mutual advantage.

It goes without saying that this type of framework agreement, however imaginatively conceived, however assiduously pursued, depends ultimately for its success not on the goodwill and aspirations of its signatories, which are governments, but upon the decisions of individual businessmen, industrialists and investors. The role of government in promoting relations between market economies is properly circumscribed. Nevertheless, given the pervasive interaction between the public and private sectors in modern industrial societies, it would be rash to disparage the part governments can play in opening the way to the expansion and diversification of economic relations between major trading entities, in this case the European Communities and Canada. Governments can be of assistance in bringing businessmen together. They can help in promoting a mutual awareness of opportunities and in fostering individual contacts between entrepreneurs with complementary interests. Getting to know each other better is more often than not an indispensable first step to doing business together. Here government's help can often be decisive, more particularly when smaller or medium-size enterprises are concerned. Governmental regulation can impose obstacles to the free flow of goods and investments; and by the same token governmental co-operation can remove these obstacles. The resources of governments can be channelled towards technological development and can stimulate

co-operative ventures between firms across international frontiers. And government can put at the disposal of the private sector its not inconsiderable resources for systematic information-gathering, analysis and dissemination, with a view to uncovering new possibilities for profitable co-operative initiatives by the industrial sector. In short, governments can and do act as midwives for expanded trade and investment activity at the international level — even if the legitimate parents of this activity remain at the private level. In a word, this is what the framework agreement between Canada and EEC is all about.

Very frankly, I am astonished that this sensible and logical arrangement we have concluded with the Community seems to have received in Canada a rather cool press. I find it difficult to understand the skepticism I frequently encounter regarding the intrinsic value of the mechanisms we have established under the framework agreement. It may be that the expectations created at the time of its conclusion were unrealistic. It may be that Canadians were inclined to believe that in some miraculous fashion a dramatic upsurge in business activity with Europe could be anticipated from the mere signature of the agreement. It may also be that some of the terminology we employed in describing this joint venture may have contributed to this impression. Personally I would not be sorry to see such expressions as "the contractual link" or "the third option" dropped from the vocabulary we use when describing our policy approach to fostering a more dynamic and diversified relationship with the Community. The one term — "contractual link" — could be taken to mean a preferential arrangement which, of course, the agreement is not. The other expression — "the third option" — could imply that a range of genuine choices exists for Canada among which we can pick and choose as we please. To my mind it is totally illusory to suggest for one moment that a sovereign Canada, dependent more than most on international trade for its prosperity, and concerned more than many with the development of the smooth functioning of the international trading system, could afford to neglect any avenue which could serve to stimulate our overseas relationships. And this is the more true when it comes to one designed to favour the deliberate intensification of our ties with a trading partner possessing the sheer economic clout the EEC now enjoys.

The real question, therefore, has never been whether the European Economic Community deserves more attention on Canada's part, but quite simply how our efforts could best be channelled and organized.

Another non-problem is posed by the notion that increased emphasis on Canada's economic policies towards Europe need operate at cross-purposes with the geographic and economic imperatives underlying our relationship with the U.S.A. Those imperatives are too compelling for there to be any danger that the acceleration of our exchanges with Europe will weaken the fabric of our North American relationships. (Bear in mind those well-worn statistics: over 70 per cent of our exports to the U.S.A. versus only 11 per cent to the Community.) More to the point, it seems to me, is the need for Canada to come to grips with an international trading system, which in the wake of the Tokyo Round is a system dominated by industrial giants. In such company Canada's margin for manoeuvre will surely depend on the extent to which

we can entertain vital and expanding relations with all our major partners.

In this endeavour our Framework Agreement with the EEC can continue to play an important part. It supports and complements the trade and investment promotion efforts that Canada undertakes with individual member states of the Community on a bilateral basis. To pitch the matter in minimum terms, the mere fact that the agreement is there means that there is always a group of influential bureaucrats at the Community level in Brussels, well-informed about Canadian developments and concerns, and committed to working with us to produce results. On the Canadian side, the Committee structure and consultation procedures we have developed are designed to involve the provinces closely in our activities — an important consideration given provincial responsibilities in the resource area.

I would be the first to acknowledge that thus far the tangible results that may be directly attributed to the agreement are modest. Here we must remember that its life-span has coincided with a difficult period for the world economy, the end of which is not yet in sight. And yet I believe we have made real progress recently in sensitizing Europeans to Canada's capacities in areas other than the primary resource sector of our economy, on which traditionally our export trade with them has been based. Furthermore, troubled as they are by the particularly severe implications of the oil crunch for Europe's long-term growth prospects, Community officials and industrialists are intrigued by the investment possibilities afforded by Canada's favourable energy base, as well as by the prospects for technological collaboration in the energy field.

So to conclude, the essence of my message is this: the volume of Canada's trade with Europe is bound to grow. The size of the Community's appetite for our raw materials, if nothing else, will see to that. What is less certain is that Canada will reap the maximum advantage from the possibilities which exist, in terms of raising significantly the present small component that finished products and manufactured goods represents in our exports to the Community, in terms of attracting employment-creating investment, and in seizing opportunities for increased links with Europe in the area of high technology. To realize these opportunities will require patience and determination. It is not going to happen quickly or easily. A determined, concerted, and prolonged effort involving the closest co-ordination between the Government and the private sector will be required. But the potential benefits Canada stands to derive from the process deserve nothing less.



Statements and Speeches

No. 79/20



CULTURAL DIPLOMACY: A QUESTION OF SELF-INTEREST

An Address by the Under-Secretary of State for External Affairs, Mr. Allan Gotlieb, to the Association of Universities and Colleges of Canada, Winnipeg, November 12, 1979

It is a great pleasure for me to be with you today — both as a native of Winnipeg who has rather too few opportunities to revisit the city and as a sometime academic who is not averse to delivering a lecture, particularly when he has in the classroom as a captive audience the University Presidents of Canada. While I have met many of you on other occasions, I am grateful to the AUCC for providing this opportunity to meet you as a group and for having chosen such a splendid location for your conference.

As should be clear from the general approach I will be taking, in these remarks academic relations are set in the larger framework of cultural relations. There is a hint of bureaucratic necessity in this, but I do think that the creative spirit characteristic of both fields provides sufficient kinship to allow me this liberty.

It is in the nature of the subject that much has been and will be written and said about the function and purpose of international cultural relations. All of you will have your own ideas and no policy will satisfy entirely even a major portion of the Canadian cultural community, a particularly disparate beast.

My object here today will be to try to convince you that Canadian cultural policy in its foreign dimension is an integral part of foreign policy, that although Canadians have been slow to appreciate this important and essential reality, the penny has indeed dropped and we are acting accordingly. The Canadian public, but more particularly the academic and artistic communities, have a vital role to play in ensuring that the manifold benefits of an enlightened cultural diplomacy are secured.

To begin with, I might review the principal criticisms of the cultural policies of the Department of External Affairs. While it has been claimed that there are as many critics of our policies as there are artists, poets, musicians, singers, dancers, athletes, academics, authors or playwrights, this is not quite the case. We do nevertheless engage in a healthy dialogue with a number of critics whose principal "observations" can be grouped into three categories:

- a) government support for cultural participation in the international environment is inadequate in terms of the amount of money and the direct assistance provided;
- b) such assistance as is provided could better be furnished by private individuals or institutions;
- c) cultural policy has nothing to do with External Affairs.

Regarding the first criticism, it is largely self-cancelling in that there are almost as many people who feel we devote too much time and too many resources (financial

and personnel) to cultural promotion as there are those who believe we don't do enough. Nevertheless, as it becomes increasingly evident that the economic difficulties currently experienced throughout the world are likely to be the norm rather than the exception in the foreseeable future, justification for all public expenditure becomes the more important.

I do not believe that we Canadian taxpayers should be supporting cultural programs abroad simply for their own sake, for the sake of the individual whose work is being supported, or indeed for any more abstract principle of national glory or self-image.

In answering the question of why then I favour continuing our program of promoting international cultural relations (and, indeed, modestly expanding it as Government austerity programs and other priorities permit), I will also be answering the third criticism which suggests that cultural policy and foreign policy are distinct or indeed separable. Of course, they are not. Cultural policy is inexorably linked to political, economic, commercial and industrial policy, and is a vital aspect of overall relations between countries and between peoples.

An irreverent colleague of mine has suggested that the cultural aspect of foreign policy is nothing more or less than the first base bag in the day-to-day game of geopolitical hard ball. You can't pretend it isn't there. You can't sneak past it without stopping to assess your position from its vantage point, and you can't bring home the winnings of the game unless you build upon its potential. The winnings are, of course, the advantages which accrue from mature and mutually satisfying bilateral relations between countries.

Cultural relations promote better understanding between people and nations. They allow one country to begin to know and appreciate the makeup of another, and it is on the basis of such understanding that long-term mutually beneficial relationships between countries thrive. Cultural diplomacy is the mortar with which the foundations of stable international relations are made. On the basis of regular government-sponsored exposure to another cultural background, trust and understanding can often flourish, leading to the development of a multiplicity of interpersonal and corporate relationships.

Let me give you a specific example.

Since before the Second World War, Canada has tried to increase not only the volume but, more importantly, the quality of our exports to Japan. That is, we have endeavoured to increase the Canadian value added to the products we export. For years we gleefully imported Sonys and Toyotas, calculators and heavy machinery, but sold only rocks and logs. Why? The reasons are, of course, complex but many relate to a fundamental lack of understanding of each others' needs and aspirations. Is it any wonder that the Japanese seek to buy mainly our raw materials when often we are perceived as little more than prospectors and lumberjacks? There is nothing to be ashamed of in the image of Canada as a land of forests and wheatfields, Indians, Eskimos and Mounties. But it is vital to Canadian commercial and industrial interests

that we impart to our Japanese customers an understanding of Canada and Canadians which will enable us to show them that Canada is not one vast pool of limitless resources nor are Canadians the fat cat energy guzzlers we are perceived to be. Already such perceptions are changing. There is much greater travel by businessmen and tourists alike between the two countries. Improved communications make broad knowledge of important events in each other's countries more readily available, but there is an important role for Government-sponsored cultural exchanges in the furtherance of understanding. All other industrialized countries and many developing countries have demonstrated an appreciation of the returns to investment in the promotion of such mutual understanding. Those who have neglected it have done so at their own peril. Interesting to note: Australia spends most of its international public affairs funds in one country — Japan.

Beginning only 10 or 15 years ago, Canada launched a relatively aggressive program of cultural promotion in Europe and we are still involved in developing this program. The Canadian Studies program in Germany is an important recent illustration. There is no doubt that we have achieved notable successes, and there are few Western Europeans who still perceive of Canadians as unsophisticated latter-day frontiersmen living, in the words of a distressingly popular French song of the early Sixties, in their "cabane au Canada".

Given the close cultural attachment of most Canadians to the European continent, the cultural values of the countries of Western Europe and, increasingly, Eastern Europe, and the way Canada is perceived there affect many aspects of Canada's international relations. Cultural and academic exchanges with European countries will remain among our most fruitful and among the most critically important for individual artists and academics. It might, however, become harder to justify Government promotion or financing of such undertakings. The level of mutual understanding is high and capacity for private maintenance of cultural exchanges is considerable. While I believe our programs should continue, there is a dilemma. In other parts of the world, Canada has been remiss in making itself better known.

Too few Canadians are aware that Venezuela is Canada's fifth largest customer (fourth if the U.K. and West Germany are subsumed into the European Communities) and, more importantly, Canada's largest offshore market for manufactured goods. Many know we depend heavily on Venezuela for oil supplies, but are they aware that that country is Canada's third largest supplier of imports (after the U.S. and the European Communities)? When is the last time the Winnipeg Ballet performed in Caracas? The long-term market potential in Venezuela for just the sort of highly finished goods we want to export is enormous. The same considerations apply to the newly emerging industrialized economies of Brazil and Mexico, as well as to certain other countries of Latin America. Latin America has not of course been entirely forgotten: the Grands Ballets Canadiens visited ten countries in South America a couple of years ago and there have been other exchanges. Nevertheless, the fact is that our opportunities in the field of cultural diplomacy are not sufficiently exploited nor do we have the financial amplitude to align new priorities with new interests without danger of weakening important existing priorities.

The same argument applies elsewhere in the world. In Asia, which received 9.26 per cent of Canadian exports last year (as opposed to 10.56 per cent to Western Europe), the market potential of Indonesia, Korea and India, to name but a few, is enormous. In order to exploit this potential, Canada must be better known and understood, and, above all, must exhibit a genuine interest in broadening and deepening existing relationships.

The potential is there, as are the channels of communication and the human resources. The political will is manifestly present, the private sector interested.

Inasmuch as such potential for revitalized political and commercial relations can be enhanced by stepped-up, more narrowly focused, non-academic cultural programs, so also is there enormous benefit to be derived from increased levels of academic interest and exchange. Here there is a role for the Government and, perhaps, a more important role for Canadian universities. Governments' budgets will be limited for some long time, as indeed will your own. We can begin to realign our priorities.

Perhaps the next contribution towards endowment for a Chair in Canadian studies should not be at a major university in the industrialized world, but rather in some of the less travelled areas to which I have just referred.

For its part, the Canadian academic community does participate directly in the promotion and constructive exploitation of Canadian interests abroad. The considerable international reputation of CIDA, CUSO/SUCO and a number of Canada-based international volunteer organizations bear witness to the quality of their contribution. Over the past 20 years Canadian teachers, advisers and technicians have developed a wealth of knowledge and experience throughout the Third World as they worked under contract to the Canadian International Development Agency. Perhaps more attention should be paid to this pool of accumulated experience. No doubt the public and private sectors dealing with the projection of Canada's international image could benefit from regular consultation with returned CIDA and CUSO/SUCO volunteers.

It is particularly heartening to hear of imaginative projects such as Michael Oliver's plan to revitalize Makerere University in Uganda. I understand his intention is to send Canadian academics on short-term assignments under AUCC and CIDA auspices to bolster the infrastructure of the university that was once the pride of East Africa. Such initiative is extremely welcome.

In discussing the effective promotion of knowledge of Canada and Canadians abroad, I have unfortunately had to refer to the contributions from the academic world, the Canadian cultural establishment, the private and the public sectors as if these were totally distinct environments. It is encouraging to see that the barriers between these various parts of Canadian society are beginning to dissolve. There are some important recent examples within the federal bureaucracy. Grant Reuber, the newly appointed Deputy Minister of Finance, has moved freely from the academic world to Ghana, where he managed an important project for CIDA, to the Bank of Montreal and from there to the federal bureaucracy. Similarly, Jim Gillies has moved easily from univer-

sity life to a CIDA project in Kenya, to his present position as senior policy adviser to the Prime Minister.

Exchanges between universities and the public sector — and here I admit to a personal interest in the Department of External Affairs — are not, of course, uncommon. I have only to mention such names as O.D. Skelton, F.H. Soward, George Glazebrook and Bert MacKay as academics who have enriched the Department in mid-career; balanced in turn by Douglas LePan, John Holmes and George Ignatieff, who have taken up academic careers after years spent in the Foreign Service, and René de Chantal who has moved from one to the other and back a few months ago with his appointment as Minister in charge of Cultural Affairs at the Embassy in Paris.

Francophone-Anglophone perception of cultural diplomacy

Shortly after I joined the Department of External Affairs, in the early Sixties, I had a conversation with Douglas LePan about what was at the time for Canada the somewhat novel idea of establishing an international cultural program. Doug expressed some surprise that it was actually going to happen: he believed that the disparate grouping of people who have come to be called Anglophones in Canada shied away from any official involvement in cultural policy due to an innate feeling that such was really not the stuff of foreign policy; that somehow international cultural relations were not sufficiently hard-edged to warrant their concern. He then ascribed the fact that we seemed prepared to move forward to French-Canadian impetus in the Department, noting that French Canadians seemed to have an innate grasp of the intrinsic importance and utility of the cultural connection. There is no doubt whatsoever in my mind that he was correct in his perception. Subsequent events have borne him out. French-Canadian officers in External Affairs have always been more attracted than their Anglophone counterparts to the cultural, public-information and academic areas of Departmental activity, where their contribution has been fundamental to the success of these programs. Indeed, if there is a better understanding in the Department of External Affairs today of the importance and potential impact of the cultural aspect of foreign policy, it is due in large part to certain visionary and predominantly French-Canadian foreign service officers. I would like to pay special tribute to Marcel Cadieux, Under-Secretary of State for External Affairs from 1964 to 1970, who in my opinion was the chief architect of Canadian foreign cultural policy.

Development of domestic cultural institutions

All the same, many Canadians have long considered cultural diplomacy to be of secondary or tertiary importance to "the real thing" — political and commercial exchanges; in short, a luxury which, when budgets permitted, allowed the shrouding of our baser international purposes with a veneer of civilized behaviour. This gloss is, moreover, sometimes seen as the first "frill" to be sacrificed at the altar of financial restraint. An on-again, off-again attitude towards international cultural relations does not really make good sense, and if we in Canada come to this realization somewhat belatedly, we now at least find ourselves in good company.

In a recent study commissioned for the Department of External Affairs on Canada's International Cultural Relations, Mr. Paul Schafer summed up the French experience in international cultural relations as follows:

The lessons of French diplomacy in this field are many: the teaching of language; the dissemination of information and knowledge about French civilization; the administration of programs; the negotiation and execution of agreements; the operation of schools, institutes and centres abroad; and effective planning for the future. However, what shines through all this is the French desire to reap the advantages of international cultural relations and to acquire the specialists, counselors and attachés — often through secondments from the private sector — to translate these advantages into hard realities. Without doubt, France's commitment to cultural diplomacy has already paid, and continues to pay, handsome dividends.

Mr. Schafer also notes that about 70 per cent of the budget of the French Ministry of Foreign Affairs goes to the Directorate-General for Cultural, Scientific and Technical Relations.

While the French do indeed have great faith in the intrinsic cultural worth of the French Language and system of education, their carefully orchestrated promotion of French culture abroad is pursued in the confident assumption that such policy pays. The financial well-being of their cultural industries provides ample proof. Similarly, it was not the mass conversion of the British establishment into Groupies which resulted in the Beatles being awarded OBEs. Increased standards of living and education in the industrialized world have resulted in a dramatic increase in the demand for cultural consumables. Canada has only begun to participate in this market. Most industrialized countries and many developing countries have created elaborate institutional machinery with which they pursue the same objectives.

The Alliance Française was founded in the nineteenth century, and shortly thereafter various organizational changes in the French Foreign Ministry were brought about to further the coherent promotion of French language and culture abroad. The foundations for both the British Council and the Goethe Institute were laid in the 1930s and while both, along with the French administrative machinery for cultural promotion, have had neo-colonial motives ascribed to them, they have survived a transition to more enlightened (and more subtle) times. These institutions and their homologues in Sweden, Italy, Holland, Israel and the U.S.S.R., to name but a few, are fundamental pillars of each country's foreign-policy establishment. Within these countries it is no longer necessary either to explain or justify the existence of such apparatus, although they are not totally immune to the rites of periodic bureaucratic and budgetary blood-letting. Canada, for the most part because of the particular constitutional realities that make such centralized co-ordination impossible, has, of course, no similar vehicle for international cultural self-expression and promotion — no instrument for the homogenization of a Canadian image. The result has been a somewhat diffuse cultural identity and probably a less well-defined international impact. Nevertheless, the very lack of cohesion of our international image allows separate cultural communities within Canada to form closer ties with regions of the world for which they have a particular affinity, and the totality of the impact might accordingly be just as strong.

**Privatization
of certain
support
functions**

I have still to tackle the question of whether we in the Department of External Affairs are best suited to, and capable of, executing these policies. You are all aware of the new Government's interest in privatization. I would suggest — and at the same time stress that this is an extremely preliminary and personal suggestion (as its implications have yet to be given consideration either by officials or by Ministers) — that there may indeed be ways in which certain of the international cultural relations programs currently being conducted within the Department of External Affairs might usefully and indeed profitably (though not necessarily in monetary terms) be undertaken by the private sector. I am thinking here principally of the time and effort my Department spends in arranging major international tours (symphonies, ballet and theatre companies and even exhibitions) and of the considerable skill and reputation of Canadian impresarios. Were we to rely more heavily on private planning and organizational facilities for such tours, I believe that we might gain in freshness of approach. New ideas would offset an anticipated loss in cohesiveness throughout the cultural relations program. Of course, my officials more directly concerned with such tours will examine more carefully than I have here today the costs and benefits of such a shift towards private impresarios. In due course, recommendations will be put to the Secretary of State for External Affairs.

Perhaps a cautionary note is in order. In certain areas of the world, direct assistance from foreign service personnel will always be vital to the success of any such undertakings. I am thinking here particularly of Eastern European countries, China, with whom we have formal agreements, and certain countries in Africa and the Pacific. In most others, however, while our people will always be available to lend a hand with the organization of major tours, the events, once they have been turned over to a private impresario, must indeed remain privately orchestrated at home and abroad.

**Professionalism
at home and
abroad**

I should make it very clear that we have no intention of diminishing our direct Departmental support for such events. Rather, if there are advantages to turning over the bulk of organizational responsibility for these incredibly time-consuming undertakings to the private sector, we will do it. As a result our cultural attachés abroad could devote more time to the tasks of cultural liaison between the academic and cultural communities they represent and to which they are accredited.

A word is perhaps in order regarding the selection and recruitment of these cultural attachés assigned to Canadian embassies and high commissions abroad. Through its own recruitment process the Department of External Affairs has hired over the years a number of officers who are extremely sensitive to the vital importance to Canada of cultural diplomacy, and who have the background and training to do the job properly. As but one example, I need only cite the contribution of a professional Foreign Service Officer, Guy Plamondon, (an acknowledged expert in the Canadian visual arts) at our Consulate General in New York. Nevertheless, the regular recruitment process has not been able to provide the Department with an adequate number of highly trained professionals who enjoy the confidence of the Canadian cultural community. Two years ago we established a procedure whereby a special effort is made to recruit such individuals from the private sector for specific assignments abroad. In this manner we chose Gilles Lefebvre (the founder of Les Jeunesses Musicales), who

headed the Cultural Centre in Paris before returning to headquarters as Director-General of the new Bureau of International Cultural Relations — just created last year. Again, last year we selected Hugh Davidson (who had long been associated with Canada's musical establishment and, most recently, was in charge of the music section of the Canada Council) to be Cultural Counsellor at the High Commission in London. Other examples are the recent nominations of Aline LeGrand (a producer of cultural programs for the French language network of the CBC) to replace Gilles Lefebvre as Director of the Cultural Centre in Paris, and of René de Chantal (who had been Director of the Department's Cultural Affairs Division before becoming Professor of Literature and Linguistics and, most recently, Vice-Rector of the University of Montreal) to the new position of Minister in charge of Cultural Affairs at the Embassy in Paris.

**Spin-offs
of cultural
policy**

I have taken too much of your time discussing my conception of the hard edge of cultural diplomacy and its utilitarian advantages. I have done so because I believe this aspect of the conduct of international relations is little understood. I am not sufficiently a Philistine to want to leave you with the impression that I do not consider that academic exchanges, sporting events or artistic displays do not have intrinsic value. What I wanted to put across is the plain fact that they also generate a number of immediate returns.

Once again I'll suggest that the French were the first to perceive and develop the direct and indirect economic advantages. The promotion of the French language through the Alliance Française and Lycée systems, while having a vital impact on French foreign policy objectives, also has created a huge foreign demand for French cultural hardware: books, films, recordings, etc.

The spin-offs from the pursuit of Canadian cultural policy objectives are not, however, insignificant. One of our most successful vehicles for international self-expression is, of course, the National Film Board. Having only recently become a member of the Board, I hope you will forgive me if I wax a little exuberant over the NFB's richly deserved international reputation. Canadian films produced by the NFB were seen by almost one billion people last year: 974 million to be exact, or 42 times the population of Canada. Since its inception, the Board has produced over 3,000 films and received 1,600 awards, including five Oscars. They have appeared in over 60 languages and are distributed in 80 countries throughout the world. This is a remarkable record, particularly in view of a current operating budget of \$38.7 million. An important function of Canadian Embassies abroad is to service this tremendous demand.

The interest in Canadian film-making — largely stimulated by the successes over the past 40 years of the National Film Board — has resulted in the creation of a dynamic domestic film industry in Canada which generated over \$40 million in export earnings last year.

Other areas where knowledge of and interest in Canada have produced tangible dividends are the publishing and the record industries. Canadian exports of records have increased almost five-fold in the past three years to a 1978 level of \$9.4 million,

while export revenues for Canadian magazines and periodicals have almost trebled over the same period (to \$41.4 million in 1978). While imports in these areas exceed exports, the rate of increase is much slower. Canadian exports of works of art and books and pamphlets have shown modest increases while imports have declined or remained almost static. Clearly Canada has and is seen to have a healthy cultural reputation. Equally clearly, the maintenance of such health makes good commercial sense.

Inter-cultural bridge building

As more evidence of the importance to broad foreign-policy goals of people-to-people understanding earned through cultural exchanges, I would point to the impact on Sino-Canadian relations of the ice-breaking tours in Canada of ping-pong players, the Shenyang acrobatic troupe, the Shanghai Ballet or, more recently, the Peking Opera, and to visits to China by the Canadian Brass, the Toronto Symphony Orchestra and numerous exchanges between the two countries in the arts, science, education, sports and medicine. A further example of cultural co-operation with China is a recent agreement to take 100 Chinese scholars into Canadian universities. This program is financed in large part by the Chinese themselves with important contributions being made from the provinces and more modest contributions to the administrative costs of the program coming from my Department and that of the Secretary of State.

No Canadian is unaware of the impact on our bilateral relations with the U.S.S.R. of "hockey diplomacy" or of the fact that hockey is one of the most binding common themes in our relations with other East European and Scandinavian countries.

During preparations for the 1976 Olympics in Montreal and the 1978 Commonwealth Games in Edmonton, the issue of *apartheid* in sports brought home to Canadians how inseparably integrated are most countries' political objectives with all other aspects of their international exchanges. The vast amounts of money all countries — not just Canadians, as the Russians are demonstrating — spend on the Olympic Games, is further evidence of the value placed on the broader returns of such events. Viewed in this context, the somewhat naive and sanctimonious protestations regarding the "politicization of sport" are not only unrealistic but downright silly.

Domestic impact of Canada's international image

Admittedly I began these remarks with a somewhat contentious premise: that the effective promotion of Canada's cultural identity was not only a fundamental and inseparable aspect of Canadian foreign policy but also that it paid demonstrable dividends in commercial terms. I assumed you all had heard enough of the defiant cries of culture *qua* culture, or bureaucratic catalogues of exactly what your government was doing for you when and where. Paradoxically one of the most important aspects of Canada's international cultural identity is its domestic impact. Canadians take perverse pleasure in ridiculing their much-documented search for identity and definition. That the search is made more easy when Canadian cultural manifestations garner international respect and acclaim is obvious, but what is somewhat less evident is the impact on each of Canada's principal cultural communities of the international successes of the other. For, just as the Toronto *Globe and Mail* waxed ecstatic over the Montreal Expos' dramatic struggle for the World Series pennant, or as the English

Canadians follow Antonine Maillet's second bid for France's much-coveted Prix Goncourt, so French-Canadians react with pride to the critical acclaim with which Michael Snow's recent exhibition was received at the Centre Beaubourg in Paris. Other recent examples of dramatic successes on the international stage in which all Canadians have taken pride are the National Ballet's triumphant performance at Covent Garden this summer and the sell-out performances of Michel Tremblay's brilliant play "Forever Yours, Marie-Lou", which is now on tour in Belgium, France and Switzerland.

The fact that such successes are perceived simply as Canadian — neither French nor English — greatly eases the burden of defining ourselves as one or the other.

I'm sure it is clear from what I have said that in the field of cultural diplomacy, it is the universities that occupy a critical central place. If the principal purpose of cultural diplomacy is to promote better understanding among nations, is there a more essential player than the universities? The answer is most certainly no. Take simply the External Affairs programs. It is the universities that educate the post-graduate students from 18 countries under our scholarship program. It is the universities that are taking the new group of Chinese students about to arrive under the new Canada-China agreement, and it is they who are accepting Nigerian students under a new Cost Recovery Technical Assistance Plan. It is university professors who are working to make the Canadian Studies program in seven countries a success. It is university professors who are working in the Third World under CIDA programs or under AUCC auspices or under Commonwealth Scholarships administered by the AUCC, or under an exchange they have simply arranged themselves. It is the universities who have been educating thousands of foreign students over many years, offering courses in humanities, arts and sciences which broaden the knowledge of Canadians of the changing international world. And there are so many other ways in which you are such critical actors on the international scene — not least in promoting contact with your alumni abroad — for example in the Caribbean where so many of the political leaders are graduates of your universities.

Two things are essential: that the Canadian universities continue to be open and internationalist in the future as they have been in the past; and that the achievement of excellence is their overriding obsession. If these two principles are respected, Canadian universities will remain at the centre of Canada's cultural diplomacy.



Statements and Speeches

No. 79/21

CANADA AND NATO

An Address by the Prime Minister of Canada, the Right Honourable Joe Clark, to the Twenty-fifth Session of the North Atlantic Assembly, Ottawa, October 26, 1979

I would like to thank you...for this opportunity to speak about the importance my Government attaches to the North Atlantic Alliance. This twenty-fifth annual session of the North Atlantic Assembly is the first occasion for me to outline to you, the elected representatives of NATO countries, my Government's views on the Alliance as it enters its fourth decade.

But first of all, I should like to extend a warm welcome to Ottawa to my parliamentary colleagues attending this meeting. My Government is intent on increasing the participation of parliamentary groups and others in the study of general policies, including defence policy. Consequently, a group such as this, which shares the same objective in all member countries of the Alliance, is even more welcome in our capital.

For 30 years now, the Alliance has been of great service to its members when peace was at stake. No one can say with certainty what would have happened in the absence of a collective defence structure such as NATO. Nonetheless, I am convinced, as most Canadians are, I am sure, that Western European stability and security and, consequently, Canadian security owe much to the existence of NATO. Since its inception, the Alliance has been based on the principle of association between European member nations, the United States and Canada, as well as on the indivisibility of defence of its two continental sectors. Basically then, NATO plays an essential role in Canada's security.

Canada is not on the sidelines in the conflict of values and goals between the nations of NATO and the Warsaw Pact. As I have publicly declared before, there is no question about our full commitment to the Alliance.

On this positive note, let me take this opportunity of confirming that my government has every expectation of achieving a 3 per cent real growth in defence expenditure in the coming financial year. Under the difficult economic conditions facing Canada and other member nations, I think this serves to demonstrate both the priority we place on making our own forces more effective and the importance we give to our role in the Alliance.

As most of you will know, we are embarked on major — and too-long delayed — re-equipment programs involving a new tank, a new maritime patrol aircraft, a new fighter aircraft and a new frigate program. These will involve a major expenditure of funds.

Nevertheless, I firmly believe that it is easy to place too great an emphasis on how much is spent on defence and too little on how well it is used. As a new government, we are reviewing our foreign and defence policies to ensure they are attuned to the world of the 1980s. In particular, we shall pay attention to the effectiveness of our defence spending. I think it is appropriate to mention our concern over the escalation of financial contributions to NATO. No one can fault the logic of sharing costs for NATO infrastructure. No one can dispute the desirability of certain common funded programs; but we expect the same efficiency in the management of things we do collectively as we demand in our own management of national defence programs.

It is against this background of ensuring we get good value for our defence dollar that we are committed to re-equipping our own forces and increasing their effectiveness in the North American and European sectors of the Alliance. To produce this increased effectiveness, we shall continue to commit our best efforts to meet the goal of an annual 3 per cent real growth in defence expenditures during the five-year period ending in 1984. Clearly what we actually achieve — and what we aim to achieve after that period — will depend on international developments, national circumstances and the results of our examination of defence policy and its effectiveness both at home and abroad.

A few minutes ago I spoke of the two sectors of the Alliance, namely, the European and the North American. I chose to express it that way to underline the fact that Canada is also part of the protected sector of NATO. This fact sometimes seems to be forgotten in Europe. Furthermore, our defence efforts in North America contribute to the security of the United States strategic deterrent force which gives its support to the Alliance, and reinforce, as does our participation in NATO's traditional land, sea and air forces, the Alliance's global deterrent capability.

We do not say that by reason of our contribution to the defence of North America we should reduce our contribution to European defence. On the contrary, as I have already stated, it is our intention to reinforce our contribution by means of our re-equipment programs. We do, however, want our allies in Europe to be fully aware of the twofold contribution that we make.

For Canadians, NATO has always been much more than a purely military alliance. It is for us the principal forum for consultation among the NATO partners on a wide range of political questions, particularly in East-West relations. This dialogue on broad political and strategic issues serves a country like Canada particularly well, and we must constantly strive to develop and extend the habit of consultation among NATO nations.

The process of political consultation in NATO has, from time to time, I think you will agree, left something to be desired. This not surprising, for that process has to contend with the strains of seeking consensus among a group of nations characterized by vast differences in size, population, wealth and military resources.

Even so, these imperfections must be seen against the impressive degree of

consultation and co-operation that has been achieved. For Canada, the NATO Council and the bodies reporting to it constitute an important piece of consultative machinery. Without it, the task of advancing Canadian viewpoints on specific issues would be difficult. What has been accomplished in shaping common policies among a group of sovereign governments is an additional but fundamental reason why our interest in NATO countries remains a powerful one.

At the current time, the most important topics of consultation include the pursuit of meaningful *détente*, the identification of confidence-building measures, as well as efficient and well-controlled arms limitation in the East and West. For many years now, the member countries of NATO have been holding intensive consultations to formulate the Organizations's position on mutual and balanced force reductions. Close consultation will also be necessary if progress is to be achieved at the Conference on Security and Co-operation in Europe to be held in Madrid. Furthermore, consultations on the vital questions of the modernization of nuclear forces in Europe and control of arms, including tactical nuclear weapons, being held in the third round of talks on strategic arms limitation, are progressing rapidly.

Canada's hope, of course, is that SALT II will enter into force soon. In my letters to President Carter and President Brezhnev last June, I made clear that Canada fully supported this agreement as a valuable contribution to stability in strategic weapons. A third round of SALT can provide an opportunity not only to seek more substantial reductions in intercontinental systems but also to deal, for the first time, with the longer-range nuclear forces in the European theatre. To this end, the Alliance must encourage the Soviet Union to negotiate seriously.

All NATO members are carefully examining President Brezhnev's recent speech in East Berlin. His declared willingness to reduce Soviet conventional forces in East Germany and to pursue negotiations on confidence-building measures is to be welcomed and, indeed, applauded — as must any initiative that offers the prospect of relaxing tensions. It is in this context that President Brezhnev's proposals on theatre nuclear weapons require analysis and clarification. They appear to allow Soviet modernization while denying it to NATO forces.

Canada is not, of course, a nuclear-weapon power in its own right. But Canadian security is dependent on an Alliance that relies on a defence and deterrent strategy that combines intercontinental and theatre nuclear forces with conventional forces. Our Alliance will face crucial tests — this year and throughout its fourth decade — as it strives to meet the need for the right mixture of both nuclear and conventional force modernization on the one hand and the pursuit of agreements on balanced and effective measures of restraint on the other. If we are sufficiently skilful and careful, we should be able to enhance the credibility of our conventional and nuclear deterrent and increase the stability of our relations with the Warsaw Pact countries. In so doing we will help to ensure the success of our Alliance in deterring war and in assuring a climate of peace less open to constant challenge....

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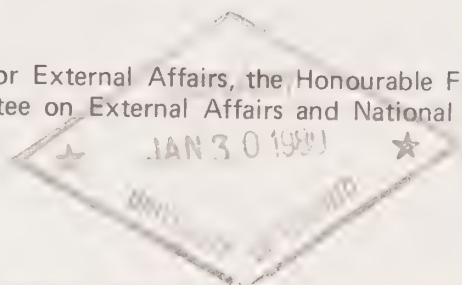


Statements and Speeches

No. 79/22

FOREIGN POLICY REVIEW

A Statement by the Secretary of State for External Affairs, the Honourable Flora MacDonald, before the Standing Committee on External Affairs and National Defence, Ottawa, October 30, 1979



I want to begin by saying how delighted I am to appear before this Committee, for the first time as Secretary of State for External Affairs. Since my appointment, I've had the opportunity to speak to a number of you on matters relating to foreign affairs. In addition, my officials, on my instructions, have been available for briefings to your respective caucuses on matters you viewed to be important. It is my intention to continue this policy of providing a flow of information to parliamentarians, especially the Standing Committee on External Affairs and National Defence.

Prior to an examination of the supplementary estimates, which is the subject of this morning's meeting, I thought that it would be appropriate for me to make a few brief remarks concerning my approach to foreign policy and the foreign policy review presently under way.

One of the points made to my leader by Progressive Conservative members of this Committee in the last Parliament was that "for too long the making of Canada's foreign policy has been shrouded in the domain of public servants, diplomats and cabinet committees."

Among the first things I sought out to accomplish after June 4th was to increase public interest in external and aid policy. If the Government of Canada is to continue and even increase its commitments in these fields, it is essential that it have the active support of the Canadian people. I also believe very sincerely that an informed public will support humane and enlightened policies both at home and abroad.

Foreign policy must not be the exclusive preserve of the few, inside or outside government. I believe that the time is right to undertake a comprehensive review of Canada's foreign policy. The last foreign policy review took place ten years ago but it has largely been overtaken by events. A lot has changed in the past decade.

New areas of instability have emerged while some old ones linger on. Economic interdependence has increased, while discrepancies between different groups of countries in the developing world have grown. There has been extraordinary growth in the production and sale of conventional arms, of an increasingly sophisticated kind, all over the globe. More and more countries have been manoeuvring for position, exercising political, economic or military leverage under the nuclear arch provided by the United States and the Soviet Union. It is clearly time to stand back and take a good look at all this, to ascertain what it means for Canada, and to chart our course for the future. That is the purpose of a foreign policy review at this time. It is not a

Nature of
foreign policy
review

luxury. It is essential.

On my first day at the Pearson Building last June, I was presented with a large briefing book containing some 115 briefs. They covered every conceivable subject: political, economic, security, environmental, institutional; they raised questions or identified issues affecting Canada's position in virtually every corner of the globe. Even then the briefing book contained only a selection of foreign-policy-related subjects; it by no means covered them all.

Seeing that book brought home to me in concrete terms what I was already well aware of in general terms — the complexity of the international scene, the unpredictability of events, and the extent to which Canadian points of view needed to be confirmed, changed or developed.

It was in this context that I concluded that our foreign policy review should begin with the preparation by my officials of a paper which would try to show Canadians the kind of world we live in today, underlining the changes which have occurred and identifying the implications for Canada.

This paper is almost completed. It describes forces at work in the world, political motivations, changing power relationships, and changing economic conditions. It raises a lot of issues which I think must concern us. Like my recent speeches, it poses some provocative questions, and is meant to serve as a stimulus to discussion, not prejudge it.

In the same spirit and within the framework of reviewing Canadian foreign policy, a companion paper is being prepared on aid; and it will see the light of day simultaneously with the first paper on Canada's place in a changing world.

It is the Government's intention to refer these two papers, and possibly other documents, to a Special Joint Committee of the House of Commons and Senate in the near future. It is also my intention to involve that Committee in Canada's preparations for the Madrid Review Meeting of the Conference on Security and Co-operation in Europe to be held in the fall of 1980. It may be that the entire Committee will want to take a look at that subject, or it may be that in the preparation for that very important conference it will want to designate a subcommittee to work on the specific arrangements for the Madrid Conference in 1980.

The Government's purpose in this is twofold: first, to help revitalize the role of Parliament in the consideration of Canadian foreign policy; and second, to provoke discussion in the country at large of the foreign policy issues of the day, giving the largest number of people the maximum opportunity to participate.

I have stressed, and cannot stress enough, the importance I attach to parliamentary and public input in our foreign policy review. I combine this with an assurance, however, that the Government cannot, and will not, abdicate its responsibilities in the meantime. Government decisions in specific areas will obviously have to be made.

I look forward to the inquiry to be carried out by parliamentarians of both chambers and particularly to its report, which will no doubt include its own assessment of the issues we face in the Eighties and some advice on how we should confront them. I would hope the Committee could make its report by early June, 1980.

The parliamentary and public contribution to the foreign policy review process is an important, and indeed vital, stage. It will provide the firm groundwork upon which the Government of Canada will be able to conduct its foreign policy in the 1980s.

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Statements and Speeches

No. 79/23

ENERGY AND INTERNATIONAL RELATIONS

A Speech by the Under-Secretary of State for External Affairs, Mr. Allan Gotlieb, to the Fifth Canadian National Energy Forum, Calgary, November 20, 1979

Relations among states, or among peoples before the days of the nation-state, have been driven by all the various forces that move man to action. Religions and ideologies and dynastic ambitions have brought peoples together or set them at war with each other. Great bursts of creative energy, as in Elizabethan England, have rebuilt societies and redrawn the map of large parts of the world. Nationalism itself has altered the stage in dramatic ways.

Among the forces driving international relations has been, of course, the economic. Colonial empires were built not only for the greater glory of the metropolitan centres and their rulers. They were built in the search for economic strength and security. They were, to a considerable extent, about obtaining command over economic resources. And the forces at work in international affairs have included those set up by the depletion of economic resources and the need to find alternatives.

In a sense, then, energy in today's world provides just another instance of processes that have been with us for centuries. There is, however, much more to it. The situation in which we find ourselves is in fact without precedent. While there are many sources of energy, the entire world is dependent on oil to an extent to which it has never been dependent on any other commodity. No country, no corner of the world can be free of the impact of petroleum shortage and the need to adjust to that fact. The impact will be felt within every country and will continue to affect profoundly relations among countries. It is hardly surprising that energy questions are now at the very heart of international politics.

When we look at international politics, we will, I believe, have to accept that the next two or three decades may be more unstable than the years since the end of World War II. The past few decades have seen the peace kept, uneasily, but nevertheless kept, by the nuclear balance between the two superpowers, by the fear of nuclear war, and by the role of the metropolitan powers. Among the potentially destabilizing forces of the future are:

- the increasing diffusion, throughout the world, of real economic power and thus political and military power;
- the increasingly polycentric character of international communism and the profound rift within the communist world between Moscow and Peking;
- the emergence of a world-system of over 150 states, many too weak to be economically viable and with the legitimacy of their boundaries often in dispute;
- the increasing tendency to resort to force in disputes among states;
- the knowledge, or more accurately, belief that such local disputes will not give

rise to nuclear conflict;
revolution and the social impact of economic and technological change;
increasing exports of armaments;
nuclear proliferation and the increasing number of members of the nuclear club;
and to the list, we must add oil and in particular, the economic effects of the petroleum shortage.

From an energy standpoint only a few nations, Canada among them, are favoured in a relative sense, but none escapes entirely. The energy problem afflicts the rich developed nations almost as much as the poor and developing. The surpluses of the big oil-producing countries are deficits for everybody else. We are witnessing a transfer of resources of a scale and suddenness unprecedented in world history. Since the great price increase following the embargo earlier this decade, in the period 1974-78, OPEC nations have received in oil revenues over \$500 billion and their cumulative current account surpluses exceed \$170 billion. Well-being, development prospects, standards of living, and hopes for the future have all been put at risk. Even the wealth that comes to some countries from oil can have wrenching effects on their societies, as events in Iran show only too clearly.

We are going to find that the global environment as we enter the Eighties is vastly different from the growth-oriented, optimistic, even comfortable setting we enjoyed as we embarked on the Seventies. And no single factor at play over the past decade has been more disruptive in international relations than the deepening crisis in energy. Oil — or more properly the shortage thereof — was and remains the consummate wild card in world politics, and ten years ago almost none of us foresaw how it would be played.

In a recent speech at the United Nations in which he advocated a world energy plan, the President of Mexico speculated that ultimately the energy crisis may turn out to be the unifying element which will bind all nations in a more co-operative world order. There is, of course, evidence of the will to co-operate, but we must admit that so far the tensions and difficulties have been at least as prominent as the global search for solutions. In the Eighties we may have to live with, and to cope with, an uncomfortable level of volatility and uncertainty in international relations, and much of it will be energy-induced.

If the supply and consumption of energy — and, in particular, of oil — were more evenly distributed around the world, our problem would, of course, be very different and much easier. There might, indeed, be little need for remarks at this Conference on Energy and International Relations. It is the imbalances that create the international tensions. The 13 OPEC countries produce about 90 per cent of the oil moving in world markets. Three-quarters of this comes from the Middle Eastern members. On the consumer side of the equation, the United States imports approximately 50 per cent of its requirements, or one-quarter of its total energy needs. Western Europe, with the notable exceptions now of the U.K. and Norway, must import close to 100 per cent of its requirements, or one-half of its energy needs. By comparison, we in Canada are in a very favoured position with net imports accounting for only about

12 per cent of our petroleum requirements and being a net exporter of energy.

International relationships, particularly among the major powers, would be infinitely more complicated were it not for the fact that the Soviet Union has been able to meet its own energy and petroleum requirements, and, indeed, to meet the needs of most of its Eastern European partners. Nor has China, currently a small exporter of petroleum, been a significant player on the international market. Whether the Soviet Union will be able to maintain sufficient production to meet its own and other Eastern European requirements in the decade ahead remains to be seen, but one cannot ignore the possibility that they may have to come on world markets and the effect that this could have geopolitically, particularly in the Middle East. One prediction has it that by 1982 the communist countries as a group will have to import about 700,000 barrels of oil per day, compared to net exports in 1978 of about one million barrels per day.

The changing role of multinational enterprises is another important factor to be taken into account by those who must integrate energy into foreign policy considerations.

Most of the research, exploration, and development of petroleum resources and related trading arrangements have traditionally been undertaken by multinational corporations. For example, allocations to consumers were by and large organized and effected by the multinationals during the embargoes and shortages in 1973. Now, there is a trend on the part of the producing countries to assume control, not only of the physical assets but of trading relationships. This has led many governments in consuming countries to enter into formal bilateral arrangements to enhance their security of supply, and it is reasonable to expect that these trends will continue. Japan, for example, had about 20 per cent of its oil import requirements covered by state-to-state arrangements in 1979; in 1980 this percentage will reach over 35 per cent.

In establishing the Task Force on Petro-Canada the Federal Government set out the condition that there should continue to be a public sector entity with the capacity to act for the Government in the importation of crude oil. We are now engaged in negotiations with Mexico and Venezuela. The nature and form of state-to-state agreements may vary, but all will have as a basic aim the establishment of arrangements to ensure a stable supply from a given producing country to a given consuming country. For some time into the future — perhaps for a long time — these arrangements may be only supplementary to traditional trade channels which have by and large served us well.

I would like in my remaining time to touch on three aspects of energy and international relations. I do not pretend that these remarks will come close to exhausting the topic. I present them simply as illustrative of the general proposition that energy questions are and will be central to world economic and world political processes. The first is energy, the developing world, and our relations as industrial countries with the developing world. Secondly, I will touch on energy in the relations among industrial countries. Then, I would like to say a word about one way in which the development of new energy sources — in particular nuclear power — creates new requirements for

the management of relations among countries.

The energy problem cuts through the middle of the developing world. As against the oil-rich developing countries there are 100 or more whose energy resources are limited and whose economic progress is crucially dependent on obtaining rapidly increasing energy supplies one way or another.

The developing world currently consumes about one-third as much petroleum as the Western industrialized countries. This figure hides as much as it reveals, however, because a mere handful of the more advanced developing countries account for most of the consumption. In fact there are over 90 developing countries whose aggregate consumption is less than Canada's alone. Looking into the future, the OECD has predicted that by the end of this century the energy demands of the Third World countries will increase more than five-fold (as compared with a doubling in industrialized countries) and their import demands will increase three-fold. This rate of growth in demand is the result partly of the rapid industrialization which is taking place and the international attention being given to the satisfaction of basic human needs (which consume energy). Failure to meet this demand will not only constrain growth in the Third World but also add to international tensions.

Energy problems are thus not surprisingly an important component of the North-South dialogue. OPEC countries have consistently refused to discuss problems of energy price and supply with industrialized countries unless the matter was incorporated into broader discussions of the so-called New Economic Order. In other words, they have argued that they are prepared to place oil on the negotiating table only if the industrialized countries are prepared to negotiate changes in the international trade, monetary, commodity and development systems. OPEC and other developing countries have thus far maintained a solid front but signs of strain were evident at UNCTAD V and at the recent Havana Non-Aligned Conference.

Various attempts have been made to promote an international energy dialogue. A United Nations Conference on New and Renewable Sources of Energy is scheduled for 1981. As I mentioned earlier, President Portillo of Mexico has outlined the rough framework of a World Energy Plan. The developing countries have before the United Nations a proposal for global negotiations on international economic co-operation, including energy as one of the subjects for "simultaneous" negotiation. The intent of these global negotiations would be to examine the major North-South issues and the relationships between them, and search for solutions. Included would be "issues in the field of raw materials, energy, trade, development, money and finance". The resolution has the support of the Group of 77 with its 119 members. While, if adopted, such negotiations could get underway next year, it is clear that they could stake out ground in areas covered by other institutions and that both their size and scope would make them very unwieldy.

You may recall that the Conference on International Economic Co-operation (CIEC) a few years ago had similar broad aims, and did not succeed in coming to grips with energy. The problems of non-oil-producing developing countries will remain a crucial

problem in the North-South dialogue in the 1980s but at the present time there is no way foreseen in which to carry out a productive negotiation. It will be one of the great challenges of the 1980s to find ways out of this impasse.

Whatever may emerge by way of global discussion and co-operation about energy matters, the industrialized countries are certainly deeply involved in common discussion of the energy problems. Within the European Community the first signs of common energy policies are emerging. The International Energy Agency, which embraces a wider group of industrialized countries, provides a forum and a framework for co-operative actions. In the OECD the impact of energy is front and centre in all discussions of the economic policies of member countries. The Economic Summits, in which Canada participates with the six other largest industrial countries, have focused increasingly on energy questions. Indeed, at Tokyo last summer the Heads of Government spent almost all their time grappling with energy questions.

The clear message from that meeting, attended by Prime Minister Clark, Miss MacDonald and Mr. Crosbie, was the need to reduce oil imports and consumption, and to develop alternative sources of energy.

The seven Summit countries are committed to set out oil import targets to 1985 so as to reduce their demands on the world market. They have put machinery in place to monitor their progress towards meeting these targets. They have been joined by other European countries in commitments of the same character. Of course, targets themselves achieve nothing. They do provide, however, benchmarks against which the effectiveness of policy actions can be assessed. So far as Canada is concerned, our international undertakings are in line with the Government's commitment to self-sufficiency, and buttress it by the support of the other major countries.

At Tokyo the leaders also recognized the urgent need to bring on stream alternatives to conventional oil. In the belief that the individual efforts of each country might be strengthened by international collaboration, they set up an International Energy Technology Group. The IETG is looking into problems associated with the commercialization of technically proven but commercially untried technologies. It is to identify candidate technologies which show significant promise, examine the impediments which may stand in their way, and consider how their commercialization might be brought about by concerted international action, which includes the possibility of international financing. The results are to be available by the end of March next year, well in advance of the next Summit scheduled for Venice in June.

Conservation and the development of oil substitutes will, of course, take time. Meanwhile, the industrial countries — and others as well — are exposed to the risk of interruptions of oil supply. That point hardly needs emphasis these days.

For the industrialized countries the oil shock of 1973 was the trigger for much closer co-operation among themselves in energy matters than had ever been thought necessary before. If it were to occur often, the deliberate withholding of supplies of any commodity, to achieve either price increases or political objectives, would pose a very

serious challenge to the conduct of international relations. But embargoes as a conscious act have not occurred often in peacetime. The industrialized countries probably have more reason to be concerned about the possibility of supply shortages from disturbances in the producing countries, or from their quite legitimate desire to adjust their production rates to their economic and social objectives.

While industrialized economies appear to have a capacity for adapting over the long run they obviously do not respond as well to short-term limitations or interruptions. Countries are therefore faced with the choice of what may be unacceptable hardships, scrambles among themselves for supply, or international co-operative efforts to mitigate the effects. By and large Canada and its industrialized partners have chosen to place the policy emphasis on the co-operative method. Summitry, and the International Energy Agency in Paris, have become focal points for this co-operation.

The Canadian commitment to our membership in the IEA and to its work is a serious one. Although Canada is less vulnerable to supply and price upheavals than most of our IEA partners, we have a very high stake as a trading nation in their economic health and prosperity. Our membership in the IEA, as in the other institutions for economic co-operation with our industrialized partners, is one important means of furthering this Canadian interest.

Within the group of industrialized countries, the degree of energy vulnerability of its various members can influence the political positions they take on broad international issues. A country at one of the extreme ends of the vulnerability scale, such as Japan, must obviously place its energy and resource diplomacy very high on its scale of priorities. The positions taken by Western European countries and Japan on a variety of regional and international issues reflect this. Occasional tension between close friends and allies is not to be ruled out: the criticism that European countries have from time to time directed at energy profligacy in the United States and Canada is a case in point.

I cannot, of course, fail to mention the prime importance of the energy component in our own relations with the United States. This relationship is in itself a good illustration of how everybody's situation has changed in the past decade, as Donald MacDonald was recalling yesterday. It is now only dimly remembered that the main Canadian thrust in our bilateral energy relations ten years ago was to sell oil, and to complain that the United States was enforcing restrictions against our oil exports!

The Seventies were a period of major readjustment in energy relations and there were periods of some tension five or six years ago. The image of Canada as a vast storehouse of readily available hydrocarbons died slowly in the United States. Who can blame them, because it was an image we held of ourselves for a very long time.

I think that our two countries have accomplished the adjustment remarkably well. It would be accurate to say that among United States policymakers there is a general appreciation of the limitations which necessarily apply, and to tackle problems as they come, on a case-by-case basis. I think our experience has shown that the image

held by some Canadians of a United States that is wholly predatory in its energy policies towards us is quite out of focus. We remain, of course, a significant supplier of energy to the United States, especially of natural gas, and we have been developing in very recent years new forms of co-operation on such matters as pipelines and oil and electricity exchanges. I have every confidence that we can embark on the Eighties having attained a level of mutual confidence and realism in our energy relations which is substantially higher than just a few years ago.

This is far from solving the energy problems of either country but it is very much a positive mark on the ledger.

A brief word, now, on the international dimensions of nuclear power development. Even if the world was awash forever in cheap oil there would of course have been an urgent need to face the nuclear proliferation issue. The energy problem greatly complicates the issue because it draws more and more countries into nuclear programs. Legitimate as these peaceful programs are, they unfortunately involve technologies that can be turned to terrifying use. Co-operation among nations, often under agreed ground rules, is no doubt essential to virtually all aspects of a resolution of the world's energy problems — whether it be for the building of a pipeline or for international trade in coal or for the protection of the environment. In the nuclear area co-operation and ground rules take on a quite special kind of importance. "Energy in International Affairs" has, in this context, a dimension that goes well beyond energy itself. Indeed, it goes to the heart of international peace and security.

We in Canada cannot escape a central role in this nuclear issue. We like others want to promote the peaceful uses of the atom. Indeed because of our uranium resources and advanced nuclear power technology, we have a particular interest in doing so. At the same time we like others cannot set aside the risks to a fragile world inherent in the proliferation of a nuclear weapons capacity. We have therefore been in the forefront of international efforts to ensure, to safeguard, the peaceful uses of nuclear power and to develop internationally agreed rules. This will continue whether in the INFCE discussions or at the Non-Proliferation Treaty Review Conference next year, or in our bilateral discussions.

The Parliament of Canada is shortly going to undertake a review of Canadian foreign policy, examining in particular the changes in the world that have occurred since the last foreign policy review in Canada, nearly a decade ago. In assessing these changes and their impact on international order and stability, a leading place will certainly have to be given to the effect of energy on Canadian foreign relations.

Resource development has always occupied a central place in our diplomacy and in our foreign affairs. I could cite many examples:

- negotiations for protecting our fisheries
 - defining and claiming our massive continental shelf
 - developing the 200-mile economic zone
 - working for orderly rules for exploiting the manganese nodules on the ocean floor
-

— protecting our Arctic resources through establishing anti-pollution zones.

Thus, an enormous amount of recent diplomatic effort has been directed to our resources. To take another field, in the past few years we have had difficult but successful negotiations with the Western Europeans and Japan on uranium. They have been concerned about security of supply and we about the conditions of transfer, such as the question of reprocessing of spent fuel — perhaps this was the most sensitive issue in Canada's recent relations with these states.

When we look at energy in the years to come, we will, I believe, see it occupying an even more important place in our international relations.

Our role as a member of the Summit and of the western group of industrialized nations, our role as a supplier of raw materials on the world market, our needs as a continuing importer of oil, our needs for foreign markets as a net exporter of energy, our involvement in scientific and technological efforts to exploit new energy sources — all these factors make this inevitable. And there will be many areas that will reflect the basic interconnection between our domestic energy policies and our export ones. In the fields of hydroelectrical development and polar gas, to take two examples, the determination of our own needs, the financing and development of facilities, the export policies of Canada, and the existence of foreign markets may all have points of inter-connection. Whether we are dealing with the terms and conditions of gas exports, co-operation in the transportation of energy supplies, technological co-operation in non-conventional sources of energy or the conditions for nuclear exports, whatever the general or specific issues, the agenda of international relations will become crowded with energy problems.

It would not be too much to say that in the next decades, Canadian diplomacy will need to show the same qualities and skills in relation to resources as it showed in earlier years in achieving our nationhood and the Canadian role in international peace and security.

I would sum up as follows:

The energy problem is without precedent. It is driven by unavoidable economic facts and would be with us regardless of the whims of particular leaders or groups of countries. It is a global problem, the first of its kind to draw in all parts of the world. It calls for adjustments that all must go through.

It cuts deeply into the management of individual economies. It creates new tensions and new uncertainties within countries and among them. It affects relations between one country and another. It affects also the fabric of multilateral relations. It breaks old molds and requires new kinds of international collaboration.

It will be as big a factor as any in the international scene in the years ahead and as large a factor as any in creating uncertainty and potential instability.

Canada is favoured in its endowment with a wide variety of present and prospective energy sources. As a country that is likely to be, for that reason, a net exporter of energy over the long term and possibly a significant one, Canada is also likely to be a relatively strong power in international relations. We can face the situation as confidently as any country. Our job is to ensure our future requirements, to use then our surplus resources to best advantage in the international market and to contribute as best we can to the broader international collaboration which is essential.



Statements and Speeches

No. 79/24

THE SITUATION IN KAMPUCHEA

A Statement by Mr. Douglas Roche, M.P., Parliamentary Secretary to the Secretary of State for External Affairs and Representative of Canada to the Thirty-fourth Regular Session of the United Nations General Assembly, New York, November 14, 1979

Canada takes the floor in this debate as a country which has had a long involvement in supervisory mechanisms established as a result of various attempts by the international community to restore peace and stability in Indochina. It is therefore with concern that we have watched the developments in Kampuchea over the past years; we have a deep sympathy for the plight of the people of that country. When the war in Vietnam ended, many of us were able, after the decades of strife Indochina had seen, to hope that peace was at hand. However, hope gave way to horror.

Canadians have followed the situation in Kampuchea with extreme concern. We have felt revulsion at the stories of the tragic suffering of the people. As these stories have gradually emerged they have become not vague images but vivid reality. Incalculable numbers of people have died from the conflict and from famine. The promise of Kampuchea's future has been dimmed by the deaths of educators, doctors, skilled workers and managers, and most sadly, virtually a generation of children.

The people's appalling circumstances were only beginning to be made known to the world when their suffering was compounded by the aggression of a foreign power embroiling them in active conflict. Kampucheans have been forced to flee from their homes, to separate from their families and to face starvation and death.

Conditions continue to deteriorate. The pitiful few who have been able to reach refuge in Thailand tell of the decimation of the population through disease and famine. Villages have been sacked by troops — by regulars, guerrillas and deserters — water supplies have become contaminated, and people are reduced to eating seed grains and whatever else they can get by foraging. Children, the future of the nation, are dying by the thousands. The distended bellies and bewildered eyes of the infants tell of the horror of life and death inside Kampuchea. Canadians feel outrage at the enormity of this obscenity.

The Secretary-General should be congratulated for convening the Pledging Conference held November 5 for emergency humanitarian relief for the people of Kampuchea. The generosity of those who responded to the plea and pledged some \$210 million will mean that some lives are saved in the coming months.

Canada appeals to all parties to extend their co-operation to the humanitarian relief effort. The most recent reports of the aid effort speak in terms of a six-month period within which \$110-million worth of food, medical equipment and agricultural supplies should be distributed. The international community must recognize that this

effort, even if fully successful, can bring only a temporary halt to the deterioration of the situation for little more than half the population. Already relief for the second six-month period is being planned, but again the scope of the effort has severe limitations.

The deep concern Canadians feel about conditions inside Kampuchea is slowly changing its expression from anger to determination — that the realities of the situation be recognized by the international community and solutions sought.

The humanitarian relief effort and the handling of the refugee problem are only palliatives. If the longer term is to hold out prospects for the existence of a Kampuchean nation, the present problems of social and political organization must be addressed. We are assembled to discuss those questions, to evaluate alternatives and to take firm action towards their solutions.

The outstanding questions must include: a recognition of the role Vietnam is playing in Kampuchea; the relationship of the Kampuchean situation to the stability of the whole of Southeast Asia; an identification of the principles on which a solution to the situation should be based; and consideration of ways in which to bring about a lasting political solution.

We condemn unreservedly the genocide practised by the Pol Pot government. However, we do not accept the thesis that the invasion of Kampuchea was intended solely to deliver the country from tyranny. It appears clear that the purpose of the invasion was the establishment of a docile and subservient regime. Whatever Vietnam's motives may have been, they are construed by neighbouring countries and by most of the international community as an attempt to establish a dependent state on their border which will pay homage to Hanoi.

There are two specific points which might usefully be made at this juncture. One reason Vietnam has given for its actions against Kampuchea is that of border conflicts. If serious problems actually existed on the Vietnamese-Kampuchean border it would hardly be necessary to occupy the entire country to resolve them. Secondly, the claim in the resolution submitted by Vietnam that the people of Kampuchea invited Vietnamese intervention and that such action is in accordance with the Charter is at best a distortion of the intentions of the drafters of that document. Such a provision, if intended, would only be a prescription for turmoil and pretence for aggression. In any event, there is no evidence that the Kampuchean people asked for the intervention of foreign troops. Instead, the current situation argues for the view that Vietnam interfered in the internal affairs of Kampuchea, not to rescue the people from a manifestly abhorrent regime, but to satisfy a desire for the extension of its influence. Concern over Vietnam's long-term intentions provides an undesirable, destabilizing influence on the whole of Southeast Asia. The international community must recognize the desire of the nations of Southeast Asia for peace, freedom and neutrality. International influence must be brought to bear on those who would upset these desires.

In an attempt to secure the future of the Kampuchean people and the stability of

Southeast Asia, certain principles must be borne in mind which are recognized in Resolution A/34/L.13 which has been introduced by the member states of the Association of Southeast Asian Nations.

The resolution reaffirms the right of all peoples to determine their own future free from outside interference. It then emphasizes that all states should refrain, in their international relations, from the threat or use of force against the sovereignty, territorial integrity or independence of any state and strictly adhere to the principles of peaceful settlement of disputes and of non-interference in the internal affairs of other states.

It is against these principles that we must measure the course of action designed to find a political solution to the long-term problems of Kampuchea and respond to the concerns of the states in Southeast Asia.

Accordingly, Canada has co-sponsored Resolution A/34/L.13 as providing the basis for the first tentative steps towards solution of these problems.

The resolution identifies elements of the current situation in Kampuchea: the threat to stability of Southeast Asia; regret for armed intervention; alarm at the potential of the conflict to spill over into neighbouring territories; distress at the refugee flow and the necessity for humanitarian relief.

The resolution then makes three points of paramount importance to the future of Kampuchea:

1. it calls upon parties to the conflict to cease hostilities forthwith;
2. it calls for the immediate withdrawal of all foreign forces from Kampuchea; and,
3. it urges settlement by peaceful means.

Canada endorses these points which, if acted upon with the real co-operation of all parties, should be the first steps towards resolution of the problem in Kampuchea and the establishment of conditions under which the people of Kampuchea may be free to choose their own government. It is equally important to note that the resolution requests the Secretary-General to investigate the situation and to exercise his good offices in order to contribute to a peaceful solution to the problem.

Canada urges all member states to support Resolution A/34/L.13, for its focus is on the future, on co-operation and constructive action. We call upon all nations to support the Secretary-General and to use all influence at their disposal to ensure that the situation in Kampuchea does not end in greater tragedy.

We welcome the increasing co-operation extended by Vietnam and the Heng Samrin administration in the humanitarian relief effort and applaud the response of member states to the call for aid. In the final analysis, however, the plight of the Kampuchean people and the instability of Indochina will not be alleviated without political decisions and action. Whether galvanized by humanitarian concerns or political

realism, it is imperative that parties co-operate to find political solutions within the context of the principles enunciated in the resolution. We have before us a proposal for the first steps towards such solutions. We urge all member states to offer their full support.

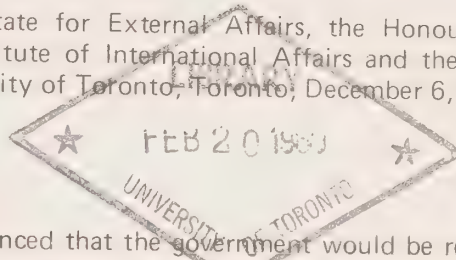


Statements and Speeches

No. 79/25

CANADA'S RELATIONS WITH EUROPE

A Speech by the Secretary of State for External Affairs, the Honourable Flora MacDonald, to the Canadian Institute of International Affairs and the Centre for International Studies of the University of Toronto, Toronto, December 6, 1979



Shortly after the election, I announced that the government would be re-examining foreign policy. Since then, I have made several suggestions about the questions I believe such a review should address. The Prime Minister has called for "the widest possible review in the most public possible place" and we shall be establishing a parliamentary committee for this purpose. It is the government's firm intention to ensure a thorough discussion, involving all interested Canadians. The contribution that organizations like the Canadian Institute of International Affairs can make to this process hardly needs underlining. Your contribution will be welcome, both individually as citizens and experts outside government, and collectively, as members of the leading private Canadian organization in the field of foreign affairs. I also invite members of the academic community to take this opportunity to share their knowledge and opinions with the broader Canadian public and the Parliament and Government of Canada.

The review will be thorough.... Meanwhile, some decisions must be taken, and we are taking them: about Rhodesia; about Cambodia; about Iran. Crisis management must not, however, be allowed to pre-empt serious reflection about the kind of world in which we seek to serve Canada's interests. I want on this occasion to reflect about one important part of this world: Europe. This you might look on as a personal contribution to the discussion for which I hope the committee will find time on its heavy agenda.

It is, I think, particularly opportune that we should address this subject here in Toronto. The European origins of our country are nowhere more evident — the cosmopolitan quality of the city a constant reminder of the vitality which immigration has brought to this country. It also reminds us of Canada's unique character. We live comfortably with Europe's culture, history and languages, but Canadians of European descent are particularly conscious that in Canada we have a more open society than the older European countries, one that is less status- and clan-conscious, in which there is perhaps a unique opportunity for self development and the fulfilment of family ambitions. We can look at our European relationship, therefore, recognizing these profound ties of history and culture, but confident in our separateness.

The government has said relatively little so far in specific terms about policy towards Europe. Certain broad lines have been sketched out; however, the emphasis has been on continuity: continuity in adhering to our obligations in NATO; continuity in the search for closer relations with the evolving European community; continuity in confirming and extending *détente* as the framework within which East-West relations

should be pursued; and continuity in developing the rich variety of possibilities Canada can exploit in its bilateral relations with European countries.

The emphasis on continuity makes sense. It tells our allies and partners that they can count on Canada as a steady and reliable friend. It says to all European countries that Canadian interests are deeply engaged in Europe. It says that Canada approaches the problems of security and co-operation in Europe not in a mood of pugnacity and confrontation, but with sober realism and a deep consciousness of the human dimension of these problems.

At the same time there is also a need for reappraisal. It has been clear for some time that the expansion and consolidation of the European Community pose complex problems for Canada that require our serious attention. You will recollect that the last systematic consideration of the European relationship resulted in the so-called third option, which in turn gave birth to the framework agreement called the "contractual link".

Whatever the intention, the implication that there was a choice to be made between Europe and the United States was unfortunate. The relationship with the United States will continue to be, by a wide margin, Canada's most important single foreign relationship. It is inconceivable that we should attempt to conduct this relationship in any spirit other than one of closest co-operation. This said, the industrial democracies of Western Europe, both individually and through the European Community, will have a place of large and permanent significance in our foreign policy as economic partners, as allies, and as sharers in a common heritage of history, culture and institutions.

Once this is accepted, there are, I think, three broad questions that should engage our attention in the months ahead. First, how do we make the Community aware of our views and interests at a time when the energies of the members focus on the internal harmonization of their policies? Second, what steps can we take to enhance our joint benefit in the areas of trade, investment and the exchange of technology? Third, how can we draw together our security and economic interests in Europe so that they are mutually supportive or at least so that the major components of our policy are not in conflict with each other?

The answers to these questions would, I think, reinvigorate our relations with Europe, and open exciting possibilities in the years to come.

Let us explore for a moment the question of consultation. The kind of policy problems that Canada faces in the EEC have their counterpart in relations with NATO and in bilateral relations. Our problem is simply how best to make our weight felt in support of our interests. The problem has been with us ever since Canada has had an independent policy: think, for example, of the difficulties the wartime government had in ensuring that Canada received a hearing in Allied Councils commensurate with its economic and military contribution to the collective war effort. One of the main reasons why Canada strongly supported the creation of NATO, and has continued

ever since to be a tireless advocate of consultation within the alliance, has been simply to ensure that the great issues of peace and war were not decided over our head and without regard to our interests. The same thought has been behind our participation in the OECD: the hope that steady, structured consultation between close economic partners would produce a permanent sensitivity to each other's special concerns.

The story repeated itself with the creation of the European Economic Community and the expansion of the Six to the Nine. We were outside this time. How could we ensure that our interests were not overridden or ignored? This was one of the motives behind the negotiation of the Framework Agreement between Canada and the EEC. While I have been critical of the Agreement in other respects, I find no fault with it as a device for ensuring that a permanent consultative mechanism permits — indeed obliges — us to confront problems in economic relations between Canada and the EEC systematically.

Economic summitry at the outset raised the same sort of problem. Initially, although of the same economic weight as at least one other participant, we were excluded. Canada had to assert a claim to be heard directly at the summit, and after some difficulty, the Canadian claim was conceded.

You may find nothing special in all this, since every country has to find ways to ensure that its voice is heard and its interests are not ignored. True enough. But the problem has been a persistent one in our foreign relations, especially with the countries of Western Europe. This is a particularly powerful group of states. Large and powerful states are tempted to pursue their own interests while paying no more attention than they have to to the interests of others. They are at the same time automatically aware of the interests of the United States — people are not normally inclined to overlook a super-power. But they are not automatically aware of Canadian interests and are sometimes inclined to assume, incorrectly, that all North Americans are alike and that Canada's interests, when revealed, will turn out simply to be an extension of United States interests.

This problem, which is fundamental to our European policy, is not going to go away. On the contrary, I believe it will recur and could even become more acute in future. The EEC is on the verge of another extension of its membership. With whatever difficulty, it is evolving towards greater unity both in its economic and its political dimensions. This is a movement full of hope for the future, which Canadians applaud. But it does carry the risk for us that some of our closest friends will increasingly be working out common positions on major questions among themselves — positions which, without our having been consulted, we will be urged to accept or support.

I do not want to exaggerate. We have many ways of discussing problems when they arise, and an accumulated experience of consultation. Nonetheless the problem remains, and purposeful diplomacy will be required on the Canadian side to ensure that our voice is heard within the Community. The same need for the conscious and purposeful direction of our relationship is evident if we turn to economics. Despite some disappointing figures on trade expansion, the advanced industrial democracies of

Western Europe are one of the world's few sources of high technology. As such, they offer Canada innumerable opportunities for co-operation. Examples could be multiplied endlessly; let me give just one.

Europe, energy short, looks increasingly to Canada as a secure source of supply. And Canada is prepared to develop new energy sources and export what is surplus to its needs. France and Germany, for example, have invested heavily in uranium exploration in Saskatchewan and elsewhere. The first generation technology used to exploit the tar sands is German in origin, developed and adapted to Canadian conditions. When the *Manhattan* made its pioneering voyage to test the feasibility of routing tankers through the Arctic, its hull had been modified as a result of research in Finland and France. If we come eventually to ship liquefied natural gas through the Arctic, the technology we use may well be French, the development capital and the market European. And if a nuclear ice-breaker is needed to lead the way, its propulsion system is likely to be European, too. In short, energy developments in the next generation may produce new and extensive links between Canada and Europe. But in this and other areas, our task is to ensure that the exchange produces long-term development benefits and brings significant advantage to the Canadian people. I hope very much that a review process will stimulate innovative suggestions and analyses of this problem.

Third, let me look briefly at the security dimension. One of the tasks we have to confront in consultation with our allies, and in as constructive a dialogue as we can arrange with the countries of Eastern Europe, is the management of *détente*. *Détente* attracts its sceptics. Even so, it fixes the framework within which East-West relations are supposed to develop. Authoritative voices tell us there is no alternative to *détente*; that *détente* must be confirmed and extended; that it is, or must be made, irreversible.

It is true that there are many who find cause for grave doubts about *détente* in Soviet conduct, particularly where that has involved the accumulation of new weapons systems and the long-range projection of Soviet power.

We need to take these matters seriously, but not despairingly. So long as there is no real progress towards disarmament, large armed forces will continue to exist. Their weapons will grow old, and have to be replaced by newer ones from time to time. This will be as true for the Soviet Union and its allies as for NATO. It is necessary to cut into the arms race at a particular point, agree that some kind of rough balance exists, and try to halt and eventually reverse the process. This is difficult, not impossible. At the level of intercontinental weapons systems, indeed, this is what SALT I and SALT II are all about. If the United States' Senate acts soon to ratify SALT II, we may see the beginning of a halt to the nuclear arms spiral, at least in some of its manifestations. The problem then will be to continue and extend the process, to see that it comes to apply to new weapons systems as well as old ones, to theatre nuclear weapons as well as intercontinental systems, and to conventional arms as well as to nuclear arms.

So far as Europe is concerned, it is not visionary to foresee that something like this may happen. There are many strands. Some pass through the Vienna talks on Mutual and Balanced Force Reductions; others through the machinery of the Conference on Security and Co-operation in Europe; still others through the machinery of the two military alliances. We may see further channels opened yet to deal with all the aspects of arms control and disarmament in Europe. At present, the prospects are confused and obscure.

Two things, however, stand out: there is general agreement that a stable balance of security could be established in Europe at lower levels of force; and in recent months there has been an extraordinary proliferation of proposals from both sides as to how such a balance might be achieved. Does this mean, some appearances notwithstanding, that there will be a better chance to make progress in arms control and disarmament in Europe than at any time in the past generation? Perhaps so. We must certainly lose no reasonable chance to test the possibility. These are the issues that will underlie the debates in the North Atlantic Council in which I will be participating next week.

But the process will be neither short nor simple, and while it continues we shall have to see to it that our own forces meet the requirements of a balance at existing levels in both quality and number.

It is here that we must take some time to examine our national contribution. The question as to our appropriate contribution to NATO is an old one, but not for that reason irrelevant to the present situation. I suggest that three principles should guide our discussion. First, our contribution must be relevant to the needs of NATO as perceived by our allies, as well as by ourselves. Second, it must be compatible with our overall perception of our needs in defence policy. Third, it must be an effective reminder that the security and economic fields are intertwined. While we fulfil our responsibilities in one, we must be sure that our European allies are fully sensitive to our needs in the other.

Meanwhile, what can we hope for in other aspects of our relations with the countries of Eastern Europe? Since the Soviet bloc clings to the view that an ideological struggle between East and West is in the nature of things, there will presumably continue to be an underlying element of tension in all these relationships, whether Western countries want it or not. But there is no reason why this tension cannot find its release in civilized competition. I do not myself share the view that the communist and non-communist societies of Europe are fated to converge. Some of them, at least, simply have histories too divergent for that. Yet it is possible to see ways in which many of the same problems — energy shortages, inflation, consumer expectations, protection of the environment — press on any society, regardless of ideological bent.

In this sense, new opportunities for co-operation with the countries of Eastern Europe will arise, ideological differences notwithstanding. Indeed, as relations with these countries have acquired substance, it has already become difficult to generalize about them. For the first time, Canada has recently made major sales of high technology products in Eastern Europe: nuclear equipment to Romania and pulp and

paper technology to Czechoslovakia and Poland. Elsewhere, progress has been steady, but less spectacular. And in return, these countries, which have not historically been important trading partners for Canada, are finding better ways of selling their products in the unfamiliar Canadian market — witness the Lada car.

With human contacts — family reunification, family visits, visa questions and the like — progress also escapes easy generalization. With some countries of Eastern Europe, for example, family reunification has virtually ceased to exist as a problem; with others, we seem to be dealing with a hard core of intractability. Despite a great deal of effort, we have yet to succeed in concluding satisfactory consular agreements with these countries. A basic stumbling block is dual nationality, where a bridge has to be found over a wide gap in legal and social systems. This is a problem of intense concern to thousands of Canadians, as reaction in this country to recent changes in Soviet and Czech citizenship laws demonstrated. Yet we persist in negotiation, and I have by no means given up hope of placing consular relations with the Eastern European countries on a more satisfactory footing.

These and other matters will be evoked collectively when the signatories of the Final Act of Helsinki meet next year in Madrid to follow up the Conference on Security and Co-operation in Europe. Canada will be able to report that, in the implementation of the Final Act, useful if modest progress is being registered here and there, to which we contribute our share. At the same time, we shall no doubt be pointing to the serious failures of implementation which mar the record, and calling once again on governments to respect the commitments they have themselves undertaken in freely subscribing to the Final Act. We have the difficult task of persuading others that our championing of human rights is not a disguised program for subverting the regimes of Eastern Europe, but a plea for respect for those individual freedoms inscribed in a number of international charters, including the Final Act of Helsinki. Public support for *détente* in the West cannot otherwise be sustained. There is strong public and parliamentary interest in the preparations for the Madrid meeting, which I hope will find its focus as well within the framework of the foreign policy review.

I end, therefore, as I began, with the review of foreign policy. This is surely an appropriate time to take stock of our relations with Europe. I have suggested that it should be an assessment that proceeds from acceptance of our fundamental friendship to a search for new and innovative ways to develop. I invite you, and your colleagues across the country, to be an important and actively contributing part of this process.

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